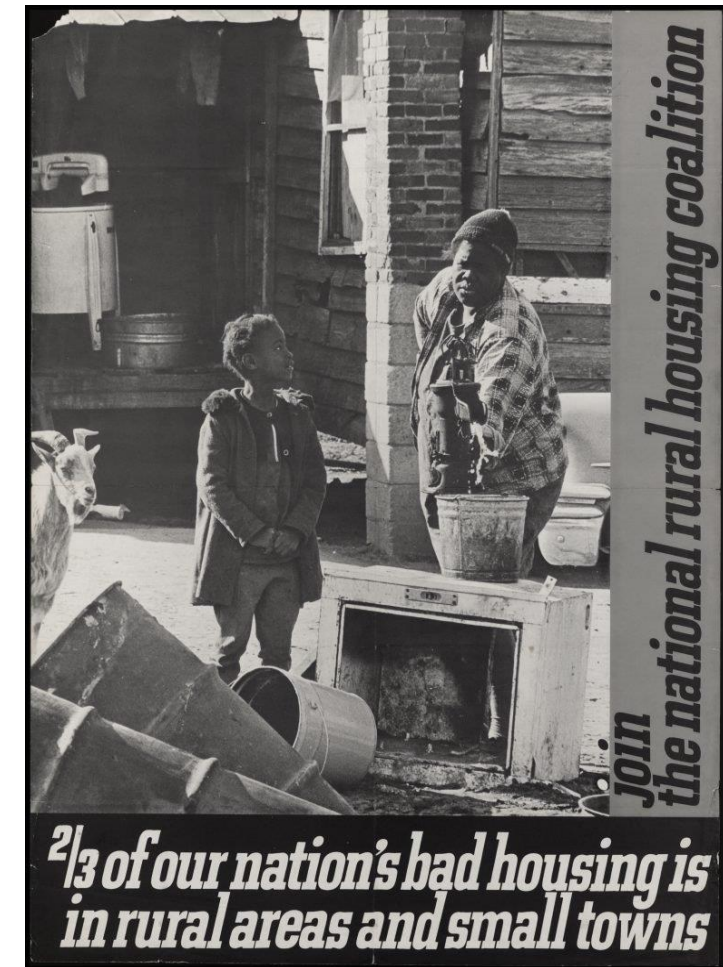


National Rural Housing Coalition Annual Meeting





National Rural Housing Coalition Annual Meeting

- ▶ Where Do We Stand?
Government Shutdown Day 33

Appropriations, So Far

Agriculture Appropriations -- Selected Rural Housing and Development Programs: Summary-- \$ in millions				
Programs	25 Final	FY 26 USDA Budget	House Committee FY 26	FY 26 Senate
502 Single Family Direct	\$715	\$0	\$880	1,000
Relending demonstration	\$5	\$0	\$6	5
502 Single Family Guaranteed	25,000	25,000*	25,000*	25,000
504 Loans	25	25	25	5
RHAG 504 grants/533	25/10	20/0	20	25/10
514 Farm Labor Housing Loans	15	11	15	15
516 Farm Labor Housing Grants	7.5	6	7.5	7.5
515 Rural Rental Housing	60	50	60	50
521 Rural Rental Assistance	1642	1715	1715	1715
523 Self-Help TA	25	0	20	25
538 Rental Guaranteed	400	400	400	400
Vouchers	48	0	48	48
Multi-Family Restructuring (BA)	34	15	30	34

Appropriations So Far Cont'd

Programs	25 Final	FY 26 USDA Budget	House Committee FY 26	FY 26 Senate
Water-Wastewater Loans	860	1229	860	1000
Water-Wastewater Grants	595	144	294 (BA)**	240
Water-Wastewater Guarantee	50	50	50	50
Solid Waste Grants	4	0	4	4
Small Systems Revolver	1	0	1	1
Intermediary Re-lending	10	0	9	13
RCDI	5	0	6	5
Community Facilities Grants	18	0	467**	217***
CF Loans Direct/Guaranteed	2800/650	0/659	1000/650	1250/650
* Available through 9.30.27				
** includes \$ 109 million for Community Project Funding				
*** includes \$199 million for Community Funding Projects				



USDA/Rural Development Shutdown Plan

- *There are certain limited activities that are viewed as “excepted” for the purpose of preserving the Government’s property within, for example, the Section 521 Rental Assistance Program outlays of prior obligations, Rural Development (RD), and Farm Loan Program (FLP) loans portfolio, which serves as collateral for loans, and borrowers’ funds paid to RD in escrow for real estate taxes and property insurance. For such programs, RD will disburse funds, issue loan note guarantees, and take other actions only as necessary to protect RD’s interest in properties.*

USDA Rural Development Shutdown (Cont'd)

- Number of Employees: 3193
- Number of Employees Furloughed: 2640

In cases of disasters:

“...staff may be excepted and deployed to assist with recovery efforts that support the protection of Rural Development property. In certain situations where this staff is assigned as part of an exempt DHS support team, the RD staff will also be exempt. “



Budget Authority (BA) Appropriations Rural Housing Loan Programs

- FY 25 Final: \$153 million
 - FY 26 Budget; \$40 million
 - FY 26 House Appropriations Committee: \$146 million
 - FY 26 Senate Appropriations Committee: \$199 million
- 



Rural Development FTEs: \$ Appropriations/ Numbers

USDA Shutdown report: 3193

FY 25: \$351million/4630

FY 26 Budget: \$265 million: 3162

House Appropriations: \$305 million

Senate Appropriations: \$351 million



The Importance of Advocacy

House Appropriations

Congress of the United States

Washington, DC 20515

April 24, 2025

The Honorable Andy Harris,
Chair
Subcommittee on Agriculture,
Rural Development, FDA, and Related Agencies
House Committee on Appropriations
Washington, D.C. 20515

The Honorable Sanford Bishop, Jr.
Ranking Member
Subcommittee on Agriculture,
Rural Development, FDA, and Related Agencies
House Committee on Appropriations
Washington, D.C. 20515

Dear Chair Harris and Ranking Member Bishop,

We write to support the rural housing programs outlined in the United States Department of Agriculture (USDA) Fiscal Year 2026 (FY26).

High interest rates continue to pose a significant barrier to improving rural housing conditions. The impact of the current interest rate environment only exacerbates challenges to improve rural housing. Years of declining investment in renovating existing homes and constructing new ones in our small towns and farming communities have led to a pronounced housing deficit. 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.¹ According to US Census data, the average annual production of new single-family houses in non-metro areas was 221,000 between 1999 and 2008. However, from 2009 to 2017, this average dropped dramatically to 68,000 per year.

Where housing is available, it tends to be in poor condition. Among the 25 million units in rural and small communities, over 5 percent, or 1.5 million homes, are classified as moderately or severely substandard. In addition, over 30 percent of the nation's housing units without hot and cold piped water are in rural and small-town communities. On some Native American lands, the lack of basic plumbing exceeds the national level by more than tenfold.

Despite lower housing costs in rural areas, a recent Harvard Joint Center for Housing Studies report indicates that 38 percent of rural renters are cost-burdened, spending more than 30 percent of their income on housing costs. Furthermore, 19 percent of rural renter households allocate more than 50 percent of their income to housing.² In the coming years, the rental housing picture in rural America will likely worsen as the number of maturing section 515 mortgages accelerates and federal resources are nowhere near adequate to preserve this important rental housing resource.

The housing status of agriculture workers is also of great concern. According to the most recent National Agricultural Workers Survey, 33 percent of all farm workers and 45 percent of migrant farmworkers live in crowded dwellings.³ Consequently, three out of every five farmworker families live below the federal poverty line.

The federal response to the lack of decent, affordable housing in our nation's small towns and farming communities has not been up to the task. Spending on direct loans is less than half the FY2010 level. As a result, the number of single-family direct loans in FY24 was the lowest since the mid-1950s. USDA has not made direct loans for rental housing construction in over a decade. There is meager support for the

¹ 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>

² Harvard Joint Center for Housing Studies, "America's Rental Housing." 2022.
https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_Americas_Rental_Housing_2022.pdf

³ "National Agricultural Workers Survey." January 2018.
https://www.dol.gov/sites/dolgov/files/ETA/naws/pdfs/NAWS_Research_Report_13.pdf

preservation of existing rental housing, and only about 200 units of housing are financed annually for migrant and seasonal farmworkers.

We urge the Committee to accept the rural housing and rural development recommendations in the USDA FY26 budget, including:

- \$1.258 billion for Section 502 direct homeownership loans;
- \$32 million for section 523 Mutual and Self-Help Housing;
- \$62 million for home repair through Section 504 and Section 533;
- \$75 million for Section 515 rural rental housing loans;
- \$36 million for multi-family preservation;
- \$37 million for farm labor housing loans and grants authorized under sections 514 and 516, respectively;
- \$860 million in Rural Water and Wastewater Facilities loans and \$595 million in grants; and
- \$5 million for the Rural Communities Development Initiative.

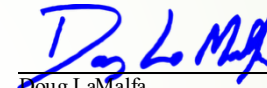
In addition, we support appropriations for Rural Rental Assistance and Rural Housing to renew all expiring contracts or commitments.

Thank you for your full and fair consideration of this letter.

Sincerely,



Jim Costa
Member of Congress



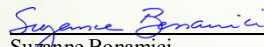
Doug LaMalfa
Member of Congress



Angie Craig
Member of Congress



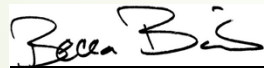
Terri A. Sewell
Member of Congress



Suzanne Bonamici
Member of Congress



Sharice L. Davids
Member of Congress




Becca Balint
Member of Congress




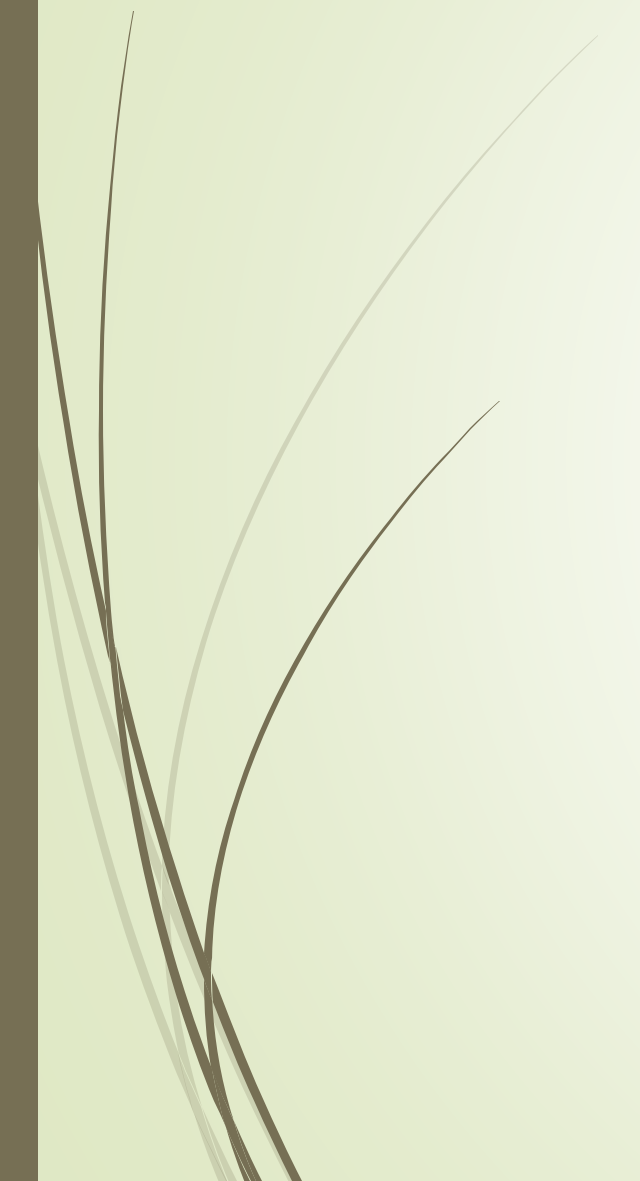

Raul Ruiz, M.D.
Member of Congress




Josh Gottheimer
Member of Congress




Andrea Salinas
Member of Congress



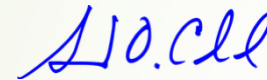
Suzan K. DelBene
Member of Congress




Mary Gay Scanlon
Member of Congress




Jimmy Panetta
Member of Congress



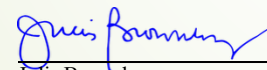
Salud Carbajal
Member of Congress



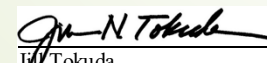
Eric Sorensen
Member of Congress




Stacey E. Plaskett
Member of Congress



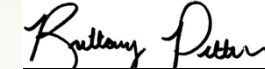
Julia Brownley
Member of Congress




Jim Tokuda
Member of Congress




Bennie G. Thompson
Member of Congress




Brittany Petersen
Member of Congress



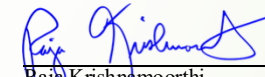
Val Hoyle
Member of Congress



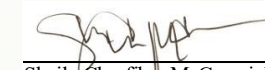
Seth Moulton
Member of Congress




Vicente Gonzalez
Member of Congress



Raja Krishnamoorthi
Member of Congress



Sheila Cherfilus-McCormick
Member of Congress



Chris Deluzio
Member of Congress



Importance of Advocacy

- 
- Senate Appropriations

United States Senate

WASHINGTON, DC 20510

May 22, 2025

The Honorable John Hoeven
Chair
Appropriations Subcommittee on
Agriculture, Rural Development, Food and
Drug Administration, and Related Agencies
Washington, D.C. 20510

The Honorable Jeanne Shaheen
Ranking Member
Appropriations Subcommittee on
Agriculture, Rural Development, Food and
Drug Administration, and Related Agencies
Washington, D.C. 20510

Dear Chair Hoeven and Ranking Member Shaheen:

We write in support of rural housing and rural development programs in the Fiscal Year 2026 Agriculture-Rural Development Appropriations bill. These important programs have the ability to improve housing opportunities in rural and Tribal communities across America.

Rural America is facing a shortage of affordable housing. Investment in the renovation of existing homes and construction of new housing has declined for years in our small towns and farming communities, and has resulted in a housing deficit. Rural communities across the country saw only a 1.7% increase in the number of housing units between 2010 and 2020 with almost half of states seeing a decrease in the number of rural units.¹

Rural, farming and Tribal communities not only lack affordable housing options, but most of the housing that is available, is substandard. A total of 1.4 million rural homes are substandard with many lacking the plumbing, heating, and electric systems necessary for safe habitation.² Native American households living in Tribal areas are nearly five times more likely than the general population to reside in housing in poor physical condition.³

The housing available in small communities is also too expensive for many low-income families. A report by the Harvard Joint Center for Housing Studies, found that 38 percent of rural renters are cost-burdened, meaning they pay more than 30 percent of their income for housing costs, and 19 percent of rural renters households pay more than 50 percent of their income for housing.⁴

Against this backdrop, federal rural housing programs have shrunk to the point that only about 3,500 direct loans are available for low-income families to purchase or build their own

¹ Housing Assistance Council, "Taking Stock of Rural America." October 2023.

<https://takingstockrural.org/taking-stock/introduction-executive-summary/>

² Housing Assistance Council, "Taking Stock of Rural America." October 2023.


<https://takingstockrural.org/taking-stock/introduction-executive-summary/>

³ "Housing Needs of American Indians and Alaska Natives in Tribal Areas." January 2017.

<https://www.huduser.gov/portal/sites/default/files/pdf/THNAIHousingNeeds.pdf>

⁴ Harvard Joint Center for Housing Studies, "America's Rental Housing." 2022.

https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_Americas_Rental_Housing_2022.pdf



home, the lowest level since 1957. Funding to preserve rental and farm labor housing is meager by any standard and by no means adequate to provide new housing opportunities or preserve existing housing resources. In the coming years, the number of maturing Section 515 mortgages will only accelerate, resulting in an even worse state of rental housing in rural America as some rural communities' only source of affordable housing is lost.

Concerningly, President Trump's budget request calls for the elimination of many vital U.S. Department of Agriculture Rural Development programs. If implemented, these cuts will be nothing short of devastating for rural communities that already struggle to maintain aging water infrastructure and the scarce availability of affordable homes. We believe rural housing and rural development programs need robust congressional support. As the committee prepares its Fiscal Year 2026 agriculture appropriations bill, we urge you to reject harmful cuts and provide funding increases for the following programs:

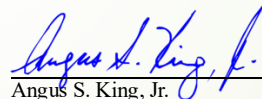
- \$1.585 billion for section 502 direct homeownership loans, including \$20.8 million for the Native American Relending Pilot Program;
- \$40 million for section 523 Mutual and Self-Help Housing;
- \$76 million for home repair through section 504 and section 533;
- \$200 million for Section 515 rural rental housing loans;
- \$90 million for multi-family preservation;
- \$1.7 billion for Section 521 rural rental assistance;
- \$68 million for farm labor housing loans and grants authorized under section 514 and 516;
- \$1.61 billion Rural Water and Waste Disposal Program loans and \$726 million in grants;
- and
- \$22.745 million for the Rural Community Development Initiative.

We appreciate the committee's past support of rural housing and development programs and consideration of this request.

Sincerely,



Tina Smith
United States Senator



Angus S. King, Jr.
United States Senator



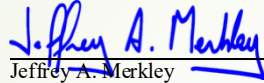
Elissa Slotkin
United States Senator



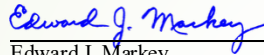
Ron Wyden
United States Senator



Maria Cantwell
United States Senator



Jeffrey A. Merkley
United States Senator



Edward J. Markey
United States Senator



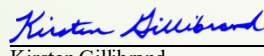
Adam B. Schiff
United States Senator



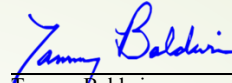
Michael F. Bennet
United States Senator



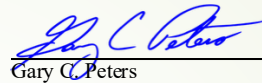
Alex Padilla
United States Senator



Kirsten Gillibrand
United States Senator



Tammy Baldwin
United States Senator



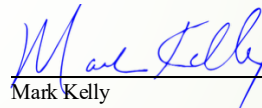
Gary C. Peters
United States Senator



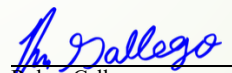
Mazie K. Hirono
United States Senator




Christopher A. Coons
United States Senator



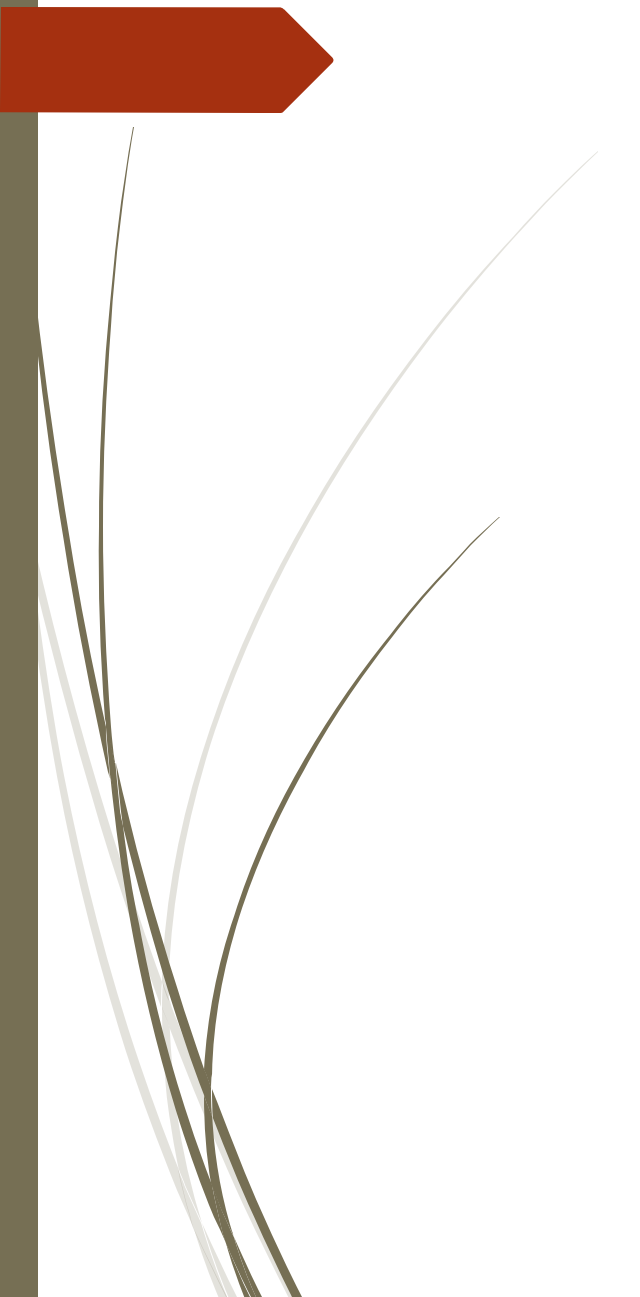
Mark Kelly
United States Senator



Ruben Gallego
United States Senator



Catherine Cortez Masto
United States Senator



Daines (R, MT) –Warner (D, VA) Amendment

- Authorizes Native CDFI Relending Program at \$50 million annually
- Authorizes CDFI Transparency Act
- Modifies CDFI Bond Guarantee Program
- Establishes a Secondary Market for CDFI loans

National Defense Authorization Bill

S. 2296

Amendments:

Road to Housing Act (Scott, R, SC, Warren, D, MA, Rounds, (R, SC), Smith (D, MN):

Amendment to Title V of the Housing Act of 1949

S. 1260 Rural Housing Services Reform Act (House companion HR 4957, Nunn R, IA), Cleaver (D, MO)

- Permanent authorization for MPR and framework for providing assistance and authorization for decoupling for maturing Sec. 514 and 515 loans;
- Amends Section 504 to reserve 60% of assistance to very low-income households and increases the cap on unsecured loans for to \$15,000;
- Authorizes the Rural Community Development Initiative
- Requires Annual Reports on Rural Housing Programs, including information on program loan performance, and status of housing stock financed by RHS programs
- Authorizes a GAO report on RHS Information Technology, including estimates of the cost for replacing outdated systems and estimates of the number of employees necessary to modernize RHS technology. Authorizes additional appropriations.
- Revises the Rural Housing Voucher program to provide annual adjustments based on family size, income, and rent; revises eligibility to include any resident of developments financed by Secs. 514, 515, or 516 in the case of loan foreclosure, prepayment, or maturity.
- Establishes a set-aside of 25 percent of funds to finance the transfer of a USDA-financed multi-family development to a non-profit or public body.
- Authorizes the Section 502 direct loan terms of 40 years for borrowers with incomes at or below 60 percent of the median who could not otherwise qualify.
- Establishes a set-aside of 25 percent of funds to finance the transfer of a USDA-financed multi-family development to a non-profit or public body

USDA Reorganization

July 25, 2025

5 regional hubs: Raleigh, NC,
Kansas City, MO, Indianapolis, IN,
Fort Collins, CO, Salt Lake, UT

Several DC area buildings
vacated, including the South
Building

No mention of Rural Development,
its programs, or field structure

Comments due in 30 days



Questions/ Comments

