

**REMARKS OF THE HONORABLE RUBEN HINOJOSA
HOUSING ASSISTANCE COUNCIL NATIONAL RURAL HOUSING
CONFERENCE 2006:
BUILDING COMMUNITIES, CELEBRATING PARTNERSHIPS
DECEMBER 7, 2006**

Thank you very much for that kind introduction. I always enjoy my encounters with Moises Loza and Joe Belden of HAC and believe that the work they do helping the Rural poor is truly the Lord's work.

I am truly honored to be here with you tonight and humbled by your decision to present me with the Clay Cochran Award for Distinguished Service for the Rural Poor. I truly did not expect to win such a distinguished award.

I want to express my sincere appreciation for you acknowledging the work I have done to not only help the Rural Poor, but especially to work to improve the affordability, availability and quality of housing in Rural America.

As many of you know, Clay Cochran was a mentor and pioneer in the rural housing movement.

My understanding is that his work in low-income rural housing dates back to the 1930s and 1940s, and that despite his passing, several of the organizations he founded continue to exist to this day: groups include the Rural America organization, the National Rural Housing Coalition, and the International Self-Help Housing Association.

I am deeply gratified that tonight you are inducting me into what seems to be an exclusive and venerable group of individuals including: Peter Carey, Art Collings, Bob Rapoza, Congresswoman Eva Clayton and Congressman Bennie Thompson. I work closely with Congressman Thompson, HAC and Bob Rapoza to ensure that Rural America receives as much funding as possible to improve housing in that area of the country, which is quite large.

I am particularly pleased to be with all of you here tonight at an event at which Proyecto Azteca has won several national awards honoring their contributions to the Rural poor and housing. David Arizmendi has done an excellent job as Executive Director of that organization. I also want to acknowledge Bobby Calvillo, Executive Director of McAllen Affordable Homes, for his contributions to providing housing to Rural America. Bobby called me to congratulate me for receiving the Clay Cochran award and apologized that he would not be able to be here tonight for this special event. He is truly a great American.

Those of us who live in Rural areas have long known that Rural residents face as many, if not more, challenges in finding safe, affordable, and decent housing than urban residents. I imagine that many of you are aware of this statistics, but I think that they still warrant mentioning:

- 1.6 million of the 23 million Rural housing units in the United States are considered substandard;
- About one-quarter of homeowners and 36% of renters in Rural areas spend more than 30% of their income in rent; and,
- The Administration's budget proposal for FY 2007 attempted to zero fund the Section 515 Rural Rental Housing Program that benefits many in our Rural communities.

These problems clearly show a need to provide incentives for building new and rehabilitating existing homes and rental units in Rural areas. I realized that such a situation demanded the attention of Congress.

To address this situation, I Co-Founded and currently Chair the Congressional Rural Housing Caucus. The goal of the Caucus is to expand the availability of safe and affordable housing – both for purchase and for rental - in Rural America.

Another and important goal is to eliminate substandard housing in Rural America. The Caucus also seeks to accommodate the infrastructure needs in Rural communities, including water, sewer, telecommunications, and schools.

To tackle all these problems, I introduced three pieces of legislation during the 109th Congress.

I re-introduced the “Rural Rental Housing Act” this year, which aims to improve housing conditions for low-income residents in Rural communities. The bill will create a \$250 million fund administered by the U.S. Department of Agriculture (USDA). The funds will be awarded to states as matching grants based on their share of Rural substandard rental units and of those living in poverty, and they will be used to acquire, rehabilitate and construct low-income Rural rental housing units.

This program is not just simply another bureaucratic answer to a problem. It is flexible, fosters partnerships in the public and private sectors, leverages federal funding, and is controlled on the local level. This effort must be collaborative if it is to be a success. I believe that the Rural Rental Housing Act is a step in the right direction to guaranteeing safe, affordable and quality housing for Americans in Rural communities.

To further address housing problems in Rural America, I introduced H.R. 6044, the “Rural Housing and Economic Development Enhancement Act of 2006” this year. The bill authorizes \$30 million for the RHED program in Fiscal Year 2007 and \$40 million for Fiscal years 2008 through 2012.

This bill will help the RHED Program provide additional funding needed to increase and improve capacity building at the State and local level for rural housing and economic development and to support innovative housing and economic development activities in rural areas.

Capacity building includes a variety of initiatives ranging from: hiring and training staff, to making technology improvements to developing strategic plans. The programs grants

are awarded to communities and used for architectural renderings, purchase of building materials, land acquisition, and/or construction.

This past summer, I introduced H.R. 5896, the "Housing Assistance Council Authorization Act of 2006." This bill also supports rural communities' efforts to provide quality and affordable housing by authorizing HUD to provide the Housing Assistance Council (HAC) with funds for: technical assistance, training, support and advice to develop the business and administrative capacities of rural community-based housing development organizations.

It also provides loans, grants, or other financial assistance for community-based housing development organizations to develop affordable housing options for low- and moderate-income families.

In its proposed budget for FY07, the Administration proposed either eliminating or zero-funding many rural housing programs, including the Rural Housing and Economic Development Program and the Housing Assistance Council. I was very pleased when the appropriators heeded my request and that of several other Members of Congress, especially my good friend Congressman Ed Pastor, to fund both the RHED program and that of HAC.

I want to thank you again for bestowing on me the Clay Cochran award. I will try to live up to this award and memorialize Mr. Cochran by reintroducing early in the 110th Congress the "Rural Rental Housing Act," the "Rural Housing and Economic Development Enhancement Act" and the "Housing Assistance Council Authorization Act."

Thank you again for this award, and God bless us all.