



HAC News

SPENDING BILLS START UP, THEN SLOW. Most HUD programs would get funding boosts or remain at 2007 levels in an FY 2008 spending bill approved June 11 by the House appropriations subcommittee covering Transportation and HUD. Among the few details currently known are 2008 levels of \$4.18 billion for CDBG, \$735 million for Section 202 elderly, \$237 million for Section 811 disabled, \$120 million for HOPE VI, and renewal of all current Section 8 vouchers. Congress has delayed further action on this bill pending resolution of questions about “earmarks.” House agriculture appropriators were to meet June 15 but postponed their mark-up. Senate appropriators are likely to begin their work on housing in July. HAC will post details at <http://www.ruralhome.org> when available.

NATIVE AMERICAN LOAN GUARANTEES REAUTHORIZED. On June 19 President Bush signed into law H.R. 1676, the Native American Home Ownership Opportunity Act, continuing HUD’s Section 184 program through 2012. P.L. 110-037 is available at <http://thomas.loc.gov>.

NAHASDA, HOMELESSNESS REVIEWED AT CONGRESSIONAL HEARINGS. Testimony from a June 7 House Housing Subcommittee hearing on reauthorizing and changing the Native American Housing Assistance and Self-Determination Act is online at http://www.house.gov/apps/list/hearing/financialsvcs_dem/ht060607.shtml. On June 21, HAC’s Moises Loza will be one of several witnesses as the Senate Committee on Banking, Housing, and Urban Affairs considers S. 1518 to reauthorize the McKinney-Vento Homeless Assistance Act and add a new Rural Housing Stability Assistance Program. Testimony will be posted at <http://banking.senate.gov>.

RCDI FUNDS AVAILABLE. Under USDA’s Rural Community Development Initiative, intermediary organizations can apply by September 6 for grants to build local organizations’ capacity. See *Federal Register*, 6/8/07, pp. 31795-804 or <http://www.rurdev.usda.gov/rhs/rcdi/index.htm>. Contact an RD state office.

SECTION 538 DEMO ANNOUNCED. Lenders with 2006 or 2007 Section 538 rental housing loan guarantees and tax credits can apply for a demonstration program that will provide continuous loan note guarantees through the construction and permanent loan financing phases. Deadline is August 13. See *Federal Register*, 6/11/07, pp. 32070-71. Contact C.B. Alonso, cb.alonso@wdc.usda.gov.

USDA OFFERS SECTION 525 GRANTS. Nonprofits, tribes, and others are eligible for grants to provide housing counseling, packaging, and other assistance. Preapplication deadline is July 20. See *Federal Register*, 6/20/07, pp. 33969-76 or <http://www.grants.gov>. Contact Nica Mathes, RD, 202-205-3656, nica.mathes@wdc.usda.gov.

INCOME VERIFICATION CHANGES PROPOSED. To reduce errors in rent subsidies, HUD suggests several changes to the ways tenant income is verified for public housing, tenant-based vouchers, multifamily housing, and the HOME program. Comments are due August 20. See *Federal Register*, 6/19/07, pp. 33843-50 or <http://www.regulations.gov>. Contact Nicole Faison, HUD, 202-708-0744.

HUD SUGGESTS IHBG FOR RENTAL ASSISTANCE. Comments are due August 7 on a proposed rule that would allow Indian Housing Block Grant funds to be used for rental assistance. See *Federal Register*, 6/8/07, pp. 31943-45 or <http://www.regulations.gov>. Contact Deborah Lalancette, HUD, 303-675-1625.

IRS PROPOSED RULES COVER TAX CREDIT BUILDING SALES, UTILITY ALLOWANCES. One rule covers “qualified contracts” to purchase buildings that have completed at least 14 years of compliance. Contact Jack Malgeri, IRS, 202-622-3040. Another offers new options for estimating tenant utility costs. Contact David Selig, IRS, 202-622-3040. See *Federal Register*, 6/19/07, pp. 33706-11 and 33703-06 or <http://www.regulations.gov>.

OMB ISSUES 2007 CIRCULAR A-133 COMPLIANCE SUPPLEMENT. Comments are due October 31 on the supplement, which applies to audits of federal fund recipients for fiscal years beginning after June 30, 2006. See *Federal Register*, 6/11/07, 32144-45 or <http://www.omb.gov>. Contact your federal awarding agency.

AFFORDABILITY PROBLEMS GROWING, SAYS STATE OF THE NATION’S HOUSING 2007. The annual study by Harvard’s Joint Center for Housing Studies reports that one of every seven U.S. households now pays more than half its income for housing. HAC’s press release and a link to the report are online at <http://www.ruralhome.org>.

POVERTY UNCHANGED SINCE 1970S, REPORT SAYS, AND PROPOSES SOLUTIONS. After declining by half from 1959 to 1972, the U.S. poverty rate has remained between 11 and 15% ever since, according to MRDC, a nonprofit research organization. Recent MRDC testimony before Congress suggests reasons and solutions, including an expanded Earned Income Tax Credit and education reform. Visit http://www.mrdc.org/area_fact_34.html.

USDA FARM BILL INFO ONLINE. Economic Research Service analyses examine the economic effects of the existing Farm Bill and potential effects of alternatives. Visit <http://www.ers.usda.gov/Features/FarmBill2007>.