July 9, 2019

Submitted via www.regulations.gov

Office of General Counsel, Rules Docket Clerk
Department of Housing and Urban Development
451 7th Street SW, Room 10276
Washington, DC 20410-0500

Re: HUD Docket No. FR-6124-P-01, RIN 2501-AD89 Comments in Response to Proposed Rulemaking: Housing and Community Development Act of 1980: Verification of Eligible Status

Dear Sir/Madam:

I am writing on behalf of the Housing Assistance Council (HAC) in response to the Department of Housing and Urban Development’s (HUD) proposed rule to express our strong opposition to the changes regarding “verification of eligible status,” published in the Federal Register on May 10, 2019 (RIN 2501-AD89; HUD Docket No. FR-6124-P-01). HAC has long been a voice for rural America, and many hardworking immigrant families live and work in America’s rural and farm towns. We urge the rule to be withdrawn in its entirety, and that HUD’s current regulations remain in effect.

HAC helps build homes and communities across rural America. Founded in 1971, headquartered in Washington, D.C. and working in all 50 states, HAC is a national nonprofit and a certified community development financial institution (CDFI). We are dedicated to helping local rural organizations build affordable homes and vibrant communities. We provide below-market financing, technical assistance, training and information services. HAC also serves as rural America’s “Information Backbone” with leading public and private sector institutions relying on HAC’s independent, non-partisan research and analysis to shape policy.

Rural America is in crisis. Years of public and private disinvestment have left rural communities struggling and falling further behind. Rural America is approximately 20 percent of the U.S. population, living in rural or small-town communities located across more than 90 percent of the U.S. landmass. The rural population grew by 3.5 million, or 5.6 percent, between 2000 and 2010 – a rate below the national level. Despite this modest growth in the total rural population, many communities, especially in the rural Midwest, Central Appalachia, the South, and the Midwestern and Northeastern “rust belt,” are losing population.¹ This is driven mainly by

an outmigration of young adults,\(^2\) which is having significant effects on these communities’ housing stock as well as their overall economic viability.

A 2018 study of nearly 3,000 rural communities\(^3\) found that immigrant populations increased 130 percent in communities that were otherwise seeing a decline in population. HAC has seen similar trends in our research. Looking at American Community Survey data and using the Office of Management and Budget metropolitan counties definition, non-metro counties had a net population increase of 38,999 people from 2010 to 2017. During that time, the native-born population in non-metro counties decreased by 104,840 residents, while the immigrant population in non-metro counties increased by 143,839 residents (27,930 of these were non-citizens).

HUD contends that the proposed rule is a means of addressing long waitlists at Public Housing Authorities (PHAs) nationwide.\(^4\) We know of no evidence that shows a significant percentage of people on waitlists are immigrants, thus HUD could better address long wait times by requesting additional funding to produce more affordable units. It is also important to note that the waitlist argument does not hold true in many places across rural America, where a large percentage of small PHAs do not face long waitlist challenges.

Furthermore, the rule will impact families living in USDA Section 515 multifamily properties, as many 515’s are able to operate because they are home to immigrant families and are cross-subsidized with HUD’s Project Based Section 8 assistance or Housing Choice Vouchers (HCVs). The rule could impact over 44,000 households in Section 515 units with either Project Based Section 8 assistance or HCVs.\(^5\)

More than 55,000 children – including thousands in rural communities – face eviction under this rule. These children are U.S. citizens. Ineligible residents in their households are living there on a pro-rated basis and not receiving assistance – making this rule unnecessary and in direct conflict with the underlying statute, Section 214 of the Housing Act of 1949 and relevant amendments. In fact, HUD itself reported that the majority of mixed-status households have three eligible members and one ineligible member.\(^6\)

We all share the concern that millions of U.S. households struggle to find affordable housing in the ongoing nationwide housing crisis, but blaming immigrant families will not fix this problem. The real issue is the lack of sufficient funding to ensure that every family,

\(^2\) Ibid.  
\(^4\) Twitter @SecretaryCarson, https://twitter.com/SecretaryCarson/status/1118906738688843777.  
regardless of immigration status, has access to one of the most basic of human rights – a safe place to call home.

This rule will have a cruel and unnecessary impact on rural communities and the immigrant families who call them home. We urge HUD to immediately withdraw its current proposal, and dedicate its efforts to advancing policies that strengthen – rather than undermine – the ability of all rural residents to support themselves and their families in the future. If we want our communities to thrive, we must maintain the services and support local families need to become healthy and productive.

Thank you for the opportunity to submit comments on the proposed rulemaking. Please do not hesitate to contact Samantha Booth at samantha@ruralhome.org or (202) 842-8600 for further information.

Sincerely,

David Lipsetz
CEO