

NAHMAanalysis

NATIONAL AFFORDABLE HOUSING MANAGEMENT ASSOCIATION

**Ensuring NAHMA Members Receive the Latest News and Analysis of
Breaking Issues in Affordable Housing**

Rural Housing Service Reform Act

Dec. 21, 2023

Rural Housing Service Reform Act

S.2790

Bill Sponsor(s)

Blaine Luetkemeyer (R-MO) and Rep. Emanuel Cleaver, II (D-MO)
Sen. Tina Smith (D-MN) and Sen. Mike Rounds (R-SD)

Cosponsors

Senate: 9 total cosponsors (5 Rs, 4 Ds)
House: unknown, awaiting formal introduction

Background

The bipartisan bill would enable the most significant modernization of U.S. Department of Agriculture (USDA) rural housing programs in years, helping to improve programs, cut red tape, and create and preserve affordable housing opportunities.

Key Provisions

- **Fixing the longstanding problem for USDA Section 515 properties** that were financed decades ago and now have maturing mortgages, making it easier for non-profits to acquire these properties and ensure that rental assistance doesn't disappear when those mortgages mature. This provision will ensure that more than 15,000 rural housing units in Missouri remain affordable in the coming years.
- **Updating the USDA's outdated process of measuring incomes**, bringing it in line with the Department of Housing and Urban Development's (HUD) practices.
- **Making long overdue investments in Information Technology** so that USDA can process loans more efficiently, ensuring staff are spending more time reviewing applications and less doing paperwork.

Status and Outlook

NAHMA supports the passage of the **Rural Housing Service Reform Act**. This is a key rural affordable housing preservation legislation before Congress. Given bipartisan support for this bill, its passage centers on whether Congress will do any affordable housing-related legislation during the remainder of their term. NAHMA members can learn more about this legislation from press releases provided by [Sen. Smith](#) and [Rep. Cleaver](#). **Please ask your lawmakers to support passage of the Rural Housing Service Reform Act!!!**