

NAN HAYWORTH, M.D.
19TH DISTRICT, NEW YORK

FINANCIAL SERVICES COMMITTEE
SUBCOMMITTEES:
CAPITAL MARKETS AND GOVERNMENT
SPONSORED ENTERPRISES
DOMESTIC MONETARY POLICY AND
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September 18, 2012

Honorable Spencer Bachus
Chairman
Committee on Financial Services
Washington, DC 20515

Honorable Barney Frank
Ranking Member
Committee on Financial Services
Washington, DC 20515

Dear Chairman Bachus and Ranking Member Frank:

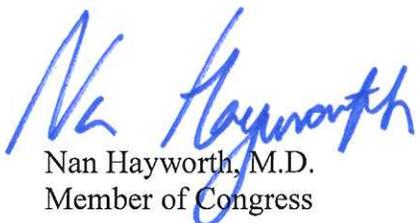
I write to urge you to address an expiring rural housing provision prior to September 30th. This issue affects hundreds of rural communities throughout the U.S. Unless action is taken by September 30, 2012, 923 communities will no longer be eligible for funding under critical U.S. Department of Agriculture (USDA) Rural Development programs. I have been informed that several communities in the Nineteenth Congressional District of New York, including Baldwin Place, Lake Peekskill, Mahopac, Mahopac Falls, New Hampton, Putnam Valley, Salisbury Mills, and Washingtonville, would be adversely affected if this provision expires.

In 2000, Congress enacted a grandfather clause that allowed any community that was "rural" in 1990 to continue to be eligible for USDA Rural Development funding until the 2010 Census, as long as it had a population below 25,000. This grandfather clause will expire October 1, 2012 and under the new definition, 923 communities currently eligible for USDA Rural Development programs will no longer be eligible under the original—and very restrictive—definition.

I look forward to working together to extend the current grandfather clause for the next fiscal year, which will enable us to develop a long-term solution to this problem.

Thank you for your attention this matter.

Sincerely,



Nan Hayworth, M.D.
Member of Congress