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COMMITTEE ON  
ENERGY AND COMMERCE



## Congress of the United States House of Representatives

September 25, 2012

Secretary Tom Vilsack  
U.S. Department of Agriculture  
1400 Independence Ave., SW  
Washington, DC 20250

Dear Secretary Vilsack:

As you know, hundreds of communities across the nation, including several in and around my Congressional District, will no longer be eligible for funding under U.S. Department of Agriculture (USDA) Rural Development programs unless action is taken by September 30, 2012 due to a pending change in USDA's definition of "rural." I urge you to take any and all appropriate action to address this urgent issue.

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 on October 1, 2012. Under the new definition, 923 communities across the country currently eligible for USDA Rural Development programs, including the Central Coast communities of Morro Bay, Los Osos, Atascadero, Paso Robles and Carpinteria, will be cut off from what is often their only source of federal housing funds.

There is significant bipartisan support in both the House and Senate for extending the grandfather clause. During its consideration of the Farm Bill, the Senate passed by voice vote an amendment to continue the grandfather clause for ten years for those communities eligible for USDA rural housing programs. The provision also increased the population cap on communities previously eligible to 35,000.

In the House, more than 100 of my colleagues, Republicans and Democrats alike, and I sent a letter to Speaker Boehner and Leader Pelosi urging them to include a provision in the continuing resolution addressing this problem. I have also joined 15 of my colleagues in cosponsoring and promoting H.R. 273, the Rural Housing Preservation Act, which would preserve the definition of "rural" under current law until 2020 Census data is available.

These communities on the Central Coast of California – and the hundreds more nationwide – depend on USDA Rural Development programs to help improve quality of life and economic opportunity for their most vulnerable residents. Being cut off from this funding when our

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economic and housing recovery remains so fragile would be devastating. I urge you to take any and all appropriate action to ensure that these communities are not cut off from this critical funding, pursuant to all relevant rules and regulations. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Lois Capps". The signature is written in a cursive, flowing style.

**LOIS CAPPS**  
**Member of Congress**