November 18, 2026

The Honorable Dusty Johnson
Chair
Subcommittee on Commodity Markets,
Digital Assets, and Rural Development
Committee on Agriculture
House of Representatives
1301 Longworth House Office Building
Washington, DC 20515

The Honorable Don Davis
Ranking Member
Subcommittee on Commodity Markets,
Digital Assets and Rural Development
Committee on Agriculture
House of Representatives
1010 Longworth House Office Building
Washington, DC 20515

Dear Chair Johnson and Ranking Member Davis:

In light of the Subcommittee's November 19 hearing, Strengthening Rural America Through USDA Rural Development Programs and Partnerships, attached please find Western Governors' Association policy resolutions 2026-07, Rural Development, and 2026-04, Housing is Foundational to the Success of the West.

Western Governors believe that strong rural communities are essential to the economic vitality, food security, and long-term prosperity of the West and the nation. Governors support efforts to strengthen U.S. Department of Agriculture Rural Development programs by increasing investments in local capacity, improving access to technical assistance, reducing administrative barriers that can disadvantage rural applicants, and ensuring that federal programs reflect the unique geographic and economic realities of western rural communities. Governors further encourage adequate funding for rural housing, greater flexibility in federal economic development programs, improved interagency coordination, and policies that support workforce development, entrepreneurship, infrastructure, and community resilience.

I request that you include this document in the permanent record of the hearing, as it articulates Western Governors' collective and bipartisan policy on these important issues.

Thank you for your consideration of this request. Please contact me if you have any questions or require further information.

Sincerely,

Jack Waldorf
Executive Director

Attachments

Policy Resolution 2026-07

Rural Development

A. BACKGROUND

Vibrant and prosperous rural communities are essential to western states and the nation. Rural communities in the West grow and supply food, steward natural resources, contribute disproportionately to the armed services, and are critical to state economies. These communities are often richly diverse and face varying threats and opportunities, although they do share some common challenges – including low population density, distance from urban centers, and capacity constraints – that are more pronounced than in other regions and are frequently not reflected in the design of federal programs.

In many western rural communities, virtual systems have transformed migration trends and the ways in which people live, work, and learn. These shifts have created both opportunity and pressure, increasing the need for investments that help communities adapt to growth, preserve local character and culture, and strengthen the institutions and relationships that support long-term community resilience. At the same time, longstanding challenges continue to hinder the delivery of services, connectivity, and economic development across the rural West. The planning and management processes required to implement solutions and to access and deploy federal funding to address such challenges are increasingly complex, compounding disinvestment over time and increasing geographic inequities.

B. GOVERNORS' POLICY STATEMENT

1. Western Governors believe that strengthening social infrastructure is the best strategy to ensure rural quality of life and prosperity. Congress and federal agencies should increase the proportion of rural economic development and infrastructure funding that goes toward capacity-building, particularly for U.S. Department of Agriculture (USDA) Rural Development programs, and Congress should allow agencies to negotiate the percentage of financial versus technical assistance within appropriations. Western Governors call for ample and consistent federal funding and consistent regulatory requirements across agencies for institutions, training, and technical assistance so that state and local governments, nonprofit organizations, and associations can assist communities in applying for and managing funding. Robust social infrastructure, including institutions, services, civic networks, and community spaces that support connection, trust, and local capacity is fundamental to economic and community development and maximizes the impact of state and federal resources.

2. Criteria used to define rural and underserved communities vary across federal agencies and programs, and the methodologies used to determine eligibility do not always reflect current conditions or the unique characteristics of the West. Western Governors encourage federal agencies to improve consistency in these definitions, consider the unique characteristics of the West, and use the best and most current data available to make program eligibility determinations.

3. Western Governors believe that many federal programs for rural development and distressed communities include unintended barriers for rural individuals and entities that most need assistance. Western Governors urge federal agencies to work with states to: thoroughly evaluate program requirements; identify barriers for rural applicants; and revise onerous requirements in a manner that recognizes the limited resources and capacity of rural applicants. Western Governors are concerned by:

    a. Scoring criteria that relate to numerical size and impact, such as the number of jobs created, the number of people served, or road usage rates, which disadvantage small and isolated communities;

    b. Requirements that applicants partner with other institutions like community colleges or foundations, which may not operate in the rural community seeking assistance;

    c. Financial match or cash-on-hand requirements that rural communities and organizations cannot meet;

    d. Overly complicated or technical applications that deter rural customers from applying;

    e. The use of median household income to determine program eligibility, particularly in coal, hard-rock mining, oil and gas, and power plant communities;

    f. Low administrative allowances that hinder communities from hiring qualified staff to cover the amount of territory and comply with federal regulatory requirements; and

    g. Complicated post-award administrative and compliance requirements that delay deployment of funding in rural communities and/or reduce project success rates, particularly where local capacity is limited.

4. Western Governors also urge federal agencies to use state data for eligibility determinations when requested by states. States often have more up-to-date and granular data for rural communities than federal sources.

5. Western Governors recognize and support efforts at the federal, state, and territorial levels to coordinate the deployment of resources, leverage funding, and create one-stop application processes for rural customers. Western Governors are interested in exploring strategies to expand those models to include more funders and further enhance coordination between agencies and between states and the federal government.

6. Western Governors believe that changes in our economy, labor force, and technological innovations require fundamental changes and new approaches to economic development strategies. Western Governors promote and are dedicated to sharing rural development policies that focus on quality of life, the support of small businesses and entrepreneurs, and economic diversification, spurred by federal incentives for innovation. This will develop

rural communities that are attractive places to live and work while protecting their rural character, natural resource-based industries, and natural areas.

7. Western Governors are eager to work with public universities, community colleges, and the business community to expand opportunities for young people to stay in their rural communities. There is a high demand for skilled workers in rural communities; states and territories should work together on regional solutions that provide the appropriate training and skills for the jobs that are available in rural communities where possible. Western Governors are also committed to increasing employment among veterans, people with disabilities, and historically disadvantaged communities in the rural West.

8. The Department of Energy's (DOE) National Laboratories foster high level scientific research, including developing new technological advancements. The National Laboratories often support western rural communities, and provide unique opportunities for the communities they are in. Western Governors urge the National Laboratories to work collaboratively with states, tribes, local stakeholders, and businesses to support skilled workforce training, including with technology for advanced manufacturing capabilities.

9. To address lower labor force participation in rural areas, Western Governors recommend that the federal government: invest in education and training programs that are tailored to the needs of rural communities; provide resources and support for entrepreneurs, such as access to capital and business incubators to encourage more people to start their own businesses and create jobs in rural areas; invest in broadband infrastructure and expand access to internet services for new job opportunities and the ability to work remotely; and offer tax incentives, grants, or other financial incentives to support businesses locating in rural areas.

10. Western Governors encourage Congress to help create the conditions necessary to attract manufacturing enterprises and jobs to rural areas.

11. Rural communities in the West are envisioning transformative and systems-wide solutions to meet the unique needs of their communities. Western Governors urge Congress and federal agencies to be responsive to these successful, community-based methods and allow maximum flexibility in the use of federal economic development resources and the design of new and existing programs, such as those that bolster rural historical preservation, rural main streets, and tourism-focused industries. Increased flexibility will also facilitate investments in quality of life, amenities, and attractions in rural communities. Governors believe that metrics based solely on the absolute number of jobs created do not reflect the important economic benefits of investments in community assets that make rural communities attractive places to live, nor do they account for the relative impact of job creation in less populated rural communities or areas with high unemployment or poverty rates.

12. Western Governors support the adoption of community cooperative business models to preserve rural businesses and fill needs for child care, homecare, main street businesses, housing, sustainable food supply, and other community needs. Western Governors recognize the need for substantial technical assistance and education in developing new cooperative businesses and support federal funding of such efforts.

13. The Economic Development Administration (EDA) provides adequate resources for community and economic development planning, yet funding for project implementation is limited to specific geographic areas or types of infrastructure. Western Governors request that Congress and EDA broaden the eligible use of EDA funds to support the execution of community and economic development plans, create actionable improvements, and scale ideas across communities. Western Governors are especially interested in making agricultural innovation and housing eligible for EDA programs.

14. EDA's Economic Development Districts often don't cover the entirety of a state and don't match State Economic Development Districts. Western Governors urge EDA to consider ways to match federal and state districts to better ensure federal and state coordination while supporting a more cooperative environment for economic development in rural communities.

15. Western Governors have developed robust policies addressing a host of sector-specific issues and the challenges of providing services and maintaining infrastructure essential to communities across the vast expanses of the rural West. These policies focus on broadband connectivity, health care, affordable housing, transportation, workforce development, agriculture, water quality, infrastructure permitting, and the relationship between communities and land management. Western Governors are committed to working with Congress and federal agencies to advance these priorities and improve the efficacy of federal, state, and territorial programs to support critical infrastructure in the rural West.

16. Western Governors are concerned by food security challenges in rural communities. Rural grocery store closures jeopardize livability and community health. However, we are encouraged by the efforts occurring in our states. Western Governors are interested in exploring creative and comprehensive strategies to ensure rural food security and sustainability by strengthening and diversifying local agricultural economies and developing regional approaches to rural food supply chains.

17. The Cooperative Extension System, which serves every county in western states, is an important asset for rural development. Western Governors believe that Cooperative Extension can play a more meaningful role in economic development efforts in distressed communities and support continued investment in the system, especially for upskilling, training, and funding for new positions as it responds to the changing needs of rural communities. Western Governors are committed to maximizing the efficacy of Cooperative Extension in their states.

18. Western Governors assert that access to high-quality, culturally and linguistically relevant early education and child care is critical to rural communities and encourage Congress to allocate funding for these services. Access to child care is essential to ensure positive short and long-term health, development, and educational outcomes for young children and to allow families in rural communities to pursue the economic and educational opportunities that help them achieve a more secure future.

19. An absence of congressional action has resulted in a lack of consistency in the design and implementation of the Community Development Block Grant (CDBG) Program. Western Governors encourage Congress to reauthorize CDBG and standardize the program's environmental and administrative processes.

20. New reforms to the Opportunity Zones tax incentives are designed to strengthen economic development in underserved rural communities. Western Governors encourage Congress to provide resource support on effective marketing and investment attraction strategies, bolster project readiness resources for designated tracts, and establish opportunities for coordinated information sharing across rural communities and investors to enhance the overall effectiveness of the Opportunity Zones program.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.

2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2029. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult http://www.westgov.org/resolutions for the most current copy of a resolution and a list of all current WGA policy resolutions.

Policy Resolution 2026-04

Housing is Foundational to the Success of the West

A. BACKGROUND

Housing shortages across the nation have reached a tipping point, driving costs to untenable levels in many communities and leaving affordable housing out of reach for a growing number of Americans. This crisis did not occur overnight. Over the past few decades, housing development has failed to keep pace with demand, resulting in chronic underbuilding and an estimated shortfall of 3.8 million units. At the same time, existing affordable housing is continually lost due to market forces and unmet repair needs. Onerous and inefficient regulations at the local, state, and federal levels have further stifled development and limited housing options. Variations in material costs, workforce availability, and supply chains have also affected project timelines, development expenses, housing prices, and the sector's overall capacity to meet housing demand.

Population growth is another challenge, and one that is particularly acute in the West. States and communities are still adapting to these mounting growth pressures and intensified housing demand. In 2022, six of the ten states in the U.S. with the biggest gaps between housing needs and availability were in the West, with housing deficits spreading rapidly to suburbs and small towns. Urban centers and rural areas alike are grappling with the social, economic, and environmental implications of inadequate access to housing for their residents and local workforce. Housing is a cornerstone of prosperity and well-being, affecting poverty, health, stability, economic mobility, and the environment. Expanding access to housing can help address many of the interrelated issues facing western states.

B. GOVERNORS' POLICY STATEMENT

1. The Building Resilient and Affordable New Developments in the West, or BRAND West, Chair initiative report contains recommendations to expand access to housing in western states. It focuses on four key areas to improve housing access for our residents: simplifying and streamlining housing development, reducing the costs of homebuilding, supporting families through initiatives that help renters and homebuyers, and investing in strategic, innovative, and data-informed initiatives across the housing ecosystem. Western Governors incorporate the recommendations identified in the BRAND West Chair initiative report into this resolution by reference.

2. Western Governors support federal efforts to streamline and upgrade systems and processes for housing programs, where appropriate, and urge Congress to allocate funding to maintain and modernize the technology used by federal housing agencies. In addition, we encourage federal and tribal agencies to support their regional offices and state staff to ensure the consistent and efficient delivery of federal housing services.

3. Western Governors urge the federal government to improve consultation and coordination with state housing finance agencies, federally or state-recognized tribal governments, and

public housing authorities, especially around any new federal funding sources and programmatic changes.

4. Western Governors encourage the U.S. Department of Housing and Urban Development (HUD) to review and allow for alternative processes in non-disclosure states to address the increasing price of housing and adjust loan limits accordingly.

5. The Fiscal Year 2025 Budget Reconciliation Act (Pub. L. 119-21) expanded the availability of private activity bonds for housing development. To build on this progress, Western Governors urge Congress to pass legislation providing state and tribal housing finance agencies flexibility to address changes in project plans, due to market changes or other delays, by permitting states and tribal governments to re-designate any carryforward authority and use it for either single-family or multifamily housing during the carryforward period.

6. The federal government should enable the Low-Income Housing Tax Credit (LIHTC) Program to work more effectively for underserved communities, including rural, tribal, high-poverty, and high-cost communities, as well as extremely low-income and formerly homeless tenants. Western Governors encourage the U.S. Department of the Treasury and HUD to ensure that they better preserve the nation's existing affordable housing inventory by simplifying and aligning program rules.

7. The federal government should review and adjust the formulas that determine minimum allocations granted to states for housing programs, including the Housing Trust Fund, the LIHTC Program, and the HOME Investment Partnerships (HOME) Program, to account for the high administrative and regulatory costs associated with these programs. Increased allocations would allow the states to produce more impactful projects in our states. In addition, Western Governors call for HUD to add a flat administrative fee for minimum allocation states in addition to the percentage amount for administration that is granted to them.

8. Western Governors recommend that the federal government make Federal Emergency Management Agency (FEMA) programs and Community Development Block Grant – Disaster Recovery (CDBG-DR) funds better tools for disaster relief. FEMA resources should require less documentation requirements after wildfires, given that many records are destroyed with little time for households to evacuate a fire zone. For CDBG-DR, HUD allocations should consider infrastructure needs and include additional resources to support rebuilding costs in the West.

9. Consistent with the BRAND West report recommendations, Western Governors urge the federal government, in coordination with states, to identify appropriate federal parcels for housing and evaluate opportunities to improve land transfer and disposal processes to address critical housing needs.

10. Western Governors support manufactured and modular housing and recognize the important role they play in providing affordable housing for communities, particularly in rural areas. We encourage U.S. Department of Labor (DOL) not to expand the "site of work" definition to factory-built housing for Davis-Bacon wages, as it would significantly affect the affordability of these housing options.

11. Congress should consider reauthorizing the Native American Housing Assistance and Self-Determination Act, and the federal government should also consider expanding direct funding options for tribal housing entities to address community housing needs.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.

2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

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