



The ACTION Campaign Applauds Senators Cantwell and Hatch for Introducing the Affordable Housing Credit Improvement Act of 2016

July 15, 2016

The A Call To Invest in Our Neighborhoods (ACTION) Campaign, representing over 1,300 national, state, and local affordable housing stakeholders, applauds the leadership of Senators Maria Cantwell (D-WA) and Orrin Hatch (R-UT) for introducing S. 3237, the Affordable Housing Credit Improvement Act of 2016. We also want to thank Senate Finance Committee Ranking Member Ron Wyden for joining as an original co-sponsor of this critical legislation. This legislation builds on an earlier version of the Affordable Housing Credit Improvement Act (S. 2962), introduced by Senators Cantwell and Hatch in May 2016, which already has strong bipartisan support.

S. 3237 is comprehensive legislation that will make significant strides towards addressing our nation's severe shortage of affordable housing. Not only will it raise the cap on Low-Income Housing Tax Credit (Housing Credit) allocation authority by 50 percent, but it also makes numerous programmatic modifications that will strengthen and streamline the Credit, support the preservation of existing affordable housing, and facilitate Housing Credit development in challenging markets.

The Housing Credit is our most successful tool for encouraging private investment in the production and preservation of affordable rental housing. For 30 years, it has been a model public-private partnership program, bringing to bear private sector resources, market forces, and state-level administration. It has financed nearly 3 million apartments since 1986, providing roughly 6.5 million low-income families, seniors, veterans, and people with disabilities access to homes they can afford.

The Affordable Housing Credit Improvement Act would enable the development or preservation of up to 400,000 more affordable homes over the next decade by increasing each state's Housing Credit allocation authority. Despite the growing need for affordable housing, Congress has not increased Housing Credit authority in 16 years, and viable and sorely needed Housing Credit developments are turned down each year because Housing Credit resources fall far short of the demand.

For the more than 11 million low-income renter households who spend over half of their income on housing – choosing between paying the rent or their medical bills, making repairs to their cars, or enrolling in job training classes – an expansion of the Housing Credit and these important reforms cannot come soon enough. The ACTION Campaign looks forward to working with Senator Cantwell and Senator Hatch to build support for this legislation.