



Statement of the A Call To Invest in Our Neighborhoods (ACTION) Campaign

In Response to the House Ways and Means Committee Hearing on “Paving the Way for Funding and Financing Infrastructure Investments”

January 27, 2020

The A Call To Invest in Our Neighborhoods (ACTION) Campaign is a national coalition representing over 2,300 national, state, and local organizations and businesses advocating to expand and strengthen the Low Income Housing Tax Credit (Housing Credit). We thank Chairman Richard Neal and the Committee for holding this important hearing highlighting our nation’s infrastructure needs, and we appreciate the opportunity to provide our perspective on the important role the Housing Credit plays in combating the critical affordable housing infrastructure deficit our nation currently faces.

We are especially grateful for Chairman Neal’s long support of the Housing Credit and the multifamily Housing Bond program, which is so integral to the success of the Housing Credit. Many other Committee members have also stepped forward in support of these programs. In this Congress, 207 representatives – including nearly 70 percent of the Ways and Means Committee – have demonstrated their commitment to these programs by cosponsoring H.R. 3077, the Affordable Housing Credit Improvement Act. This bipartisan legislation, introduced by Committee members Suzan DelBene (D-WA-1), Kenny Marchant (R-TX-24), Don Beyer (D-VA-8) and Jackie Walorski (R-IN-2), should play a vital role in your efforts to address our nation’s significant infrastructure challenges.

Simply put, safe, decent, and affordable housing is a vital part of our nation’s infrastructure. The “bricks and sticks” our nation desperately needs are more than bridges and roads, water and sewer, broadband and the electric grid. Those roads, sewer lines, and cables connect not only to the places where we work, but also to the places where we live. And for many low-income families, the places where they live are crumbling, just like many roads and bridges.

Nearly 11 million households pay more than half their income for rent, and for every 100 extremely low-income families looking for an available, affordable apartment, only 37 such rental homes exist.¹ High housing costs constrain opportunities for families to increase earnings, causing slower GDP growth. The lack of safe and accessible affordable housing in major metropolitan areas is costing Americans approximately \$1.6 trillion a year in lower wages and lost productivity.² The lack of affordable housing prevents lower income households from moving to communities with more economic opportunities and makes it difficult for businesses to attract and retain the workers they need.

The Affordable Housing Credit Improvement Act would significantly expand Housing Credit production. H.R. 3077 includes a 50 percent phased-in increase in each state’s Housing Credit ceiling, allowing them to finance more development, including both the production of new rental homes and rehabilitation of existing properties that are in dire need of repair.

This legislation also includes a “minimum 4 percent rate” for Housing Bond-financed Housing Credit developments, which will allow us to further increase the supply of affordable housing. It would also make

¹ The National Low Income Housing Coalition, *The Gap: A Shortage of Affordable Homes*, 2019

² Hsieh and Moretti, *Housing Constraints and Spatial Misallocation*, Updated 2018



other important changes to further strengthen this already successful program, by fortifying state oversight capacity, easing preservation efforts, and facilitating development in hard-to-reach populations and challenging markets, such as rural areas.

Affordable housing is a critical part of a country's infrastructure, as much as roads and public utilities. We strongly urge you to ensure that any infrastructure bill includes a housing title, and that the housing title make central the proposals that we expect will again be contained in the Affordable Housing Credit Improvement Act upon its reintroduction.

An investment in affordable housing infrastructure is a direct investment in America and its families.

ACTION Campaign Co-Chairs

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National Council of State Housing Agencies

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Council for Affordable and Rural Housing
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For a full list of ACTION Campaign members, visit www.rentalhousingaction.org.