



ACTION Commends Congress for Expanding and Strengthening the Housing Credit

The A Call To Invest in Our Neighborhoods (ACTION) Campaign, representing over [2,150 national, state, and local affordable housing stakeholders](#) is deeply grateful to Congress for strengthening and expanding the Low-Income Housing Tax Credit (Housing Credit) in the omnibus spending bill. The temporary, but substantial, cap increase to the Housing Credit and the flexibility provided by allowing income averaging will make the Housing Credit an even better tool for meeting the needs of more families as well as hard-to-reach populations, such as extremely low-income households and those in rural areas. Both of these program modifications are included in the FY 2018 omnibus spending bill, which is poised to be enacted this week.

In particular the cap increase of 12.5 percent for four years beginning in 2018 will allow for the construction or rehabilitation of nearly 29,000 additional rental homes for low-income families, seniors, veterans, and persons with disability than would have otherwise been possible. This increase begins to make up for the loss of Housing Credit production that is resulting as an indirect effect of the reduction in the corporate tax rate enacted in the 2017 tax reform bill.

ACTION is especially thankful for the unparalleled leadership from the Affordable Housing Credit Improvement Act's lead sponsors, Senator Maria Cantwell (D-WA), Senate Finance Committee Chairman Orrin Hatch (R-UT), Representative Carlos Curbelo (R-FL), and House Ways and Means Ranking Member Richard Neal (D-MA), without whom this major victory would never have occurred. We also thank congressional leadership for their support, including Senate Minority Leader Charles Schumer (D-NY), Senate Finance Committee Ranking Member Ron Wyden (D-OR), Majority Leader Mitch McConnell (R-KY), House Speaker Paul Ryan (R-WI), and House Minority Leader Nancy Pelosi (D-CA). We are also deeply grateful to the cosponsors of S. 548 and H.R. 1661, many of whom were actively engaged with leadership in support of the Housing Credit provisions in the omnibus. In addition, ACTION thanks former Representative Pat Tiberi (R-OH) for his efforts that helped bring us to this point.

The Housing Credit and the related multifamily Housing Bond program are our nation's most successful tools for encouraging private investment in the production and preservation of affordable rental housing, and have been responsible for nearly all of the affordable housing built and preserved in recent decades. Since 1986, these programs have financed over 3 million affordable apartments, providing approximately 7 million low-income families, seniors, veterans, and people with disabilities homes they can afford. These successful public-private partnerships bring to bear private sector resources, market forces, and state-level administration to create quality homes for those most in need, while supporting job creation, generating tax revenue, and improving communities and local infrastructure.

By increasing Housing Credit resources, Congress is taking an important step towards addressing our nation's severe affordable housing crisis. However, we must build on this progress towards meeting our country's great and growing housing needs. Far too many low-income households pay half or more of their income just for rent, leaving little or nothing left for other necessities. The demand for affordable housing simply dwarfs its supply. Therefore, ACTION urges Congress now to further strengthen the Housing Credit by passing the remaining provisions of the Affordable Housing Credit Improvement Act, S. 548 and H.R. 1661, which were not included in the omnibus bill. This legislation would make the

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Housing Credit even more successful through common sense modifications, and in the case of the Senate version of the legislation, provide a more substantial and permanent increase in Housing Credit resources. Already these bills have drawn strong bipartisan support in both the House and Senate.

The omnibus bill represents a critical first step towards our ultimate goal of a nation in which no one is forced to sleep on the streets, choose between paying the rent and purchasing food or medicine, where children have a safe and stable place to come home to after school, and where seniors can feel confident that they will not be housing insecure as they age. Thank you.