

Affordable Housing Credit Improvement Act of 2019 (AHCIA)

Background

The Affordable Housing Credit Improvement Act of 2019 (AHCIA) – S. 1703 & H.R. 3077 – was introduced by Senators Maria Cantwell (D-WA), Johnny Isakson (R-GA), Ron Wyden (D-OR) and Todd Young (R-IN) and Representatives Don Beyer (D-VA), Suzan DelBene (D-WA), Kenny Marchant (R-TX) and Jackie Walorski (R-IN) on June 4, 2019. The AHCIA would expand and strengthen the Low-Income Housing Tax Credit (Housing Credit) and this bipartisan legislation would have a significant impact on our nation's affordable rental home production.

Increases Affordable Housing Production

- The bill would increase Housing Credit allocations by 50 percent, phased in over five years, to help meet the vast and growing need for affordable housing; and
- Enact a minimum 4 percent rate to parallel the minimum 9 percent rate already enacted, providing predictability to the marketplace and substantially increasing production by making more developments financially feasible.
- These two provisions are estimated to incentivize the production of 450,000 more affordable homes over the next decade, and generate \$48.5 billion in wages and business income, \$19.1 billion in additional tax revenue and 510,000 jobs.

Preserves Existing Affordable Housing

- The bill would make the Housing Credit a more effective tool for preserving the nation's existing affordable housing inventory by simplifying and aligning rules;
- Provide state Housing Credit allocating agencies new tools to strengthen program oversight; and
- Streamline rules to create efficiencies in program administration.

Increases Access to Communities

- The bill will enable the Housing Credit to better serve hard-to reach communities including rural, Native American, high-poverty, and high-cost communities, as well as extremely low-income tenants;
- Make Housing Credit properties in rural areas eligible for additional credits if needed for financial feasibility;
- Facilitate Housing Credit development for extremely low-income households & in hard-to-serve communities;
- Clarify that the Housing Credit and Housing Bonds can be used to develop properties specifically for veterans and other special populations;
- Better align the Housing Credit with Violence Against Women Act protections;
- Ensure cost reasonableness is considered when awarding Housing Credits; and
- Enable states to maximize Private Activity Bond affordable housing resources by recycling Multifamily Housing Bonds that are used in conjunction with Housing Credits.

Why Habitat supports the bill

Habitat supports the AHCIA, because it directly aligns with the [policy solutions](#) the [Cost of Home campaign](#) is working towards, specifically the subtheme on increasing the supply and preservation of affordable homes available to low-income families.

How you can support the bill

Please encourage both of your senators and representative to co-sponsor this bill. [You can do so by sending an email through Habitat's online action center.](#)

If you have any questions about this bill, please contact Elisabeth Gehl at egehl@habitat.org.



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