



**2021 LEGISLATIVE CONFERENCE**

# PRIORITIES BRIEFING

**HEARS** ON THE  
**FILL**

## NCSHA's 2021 Priorities

- Produce and preserve affordable housing.
- Support households and communities hardest hit by the coronavirus and disproportionately harmed by disasters, discrimination, and disinvestment.
- Expand credit, access, and affordability for households and communities of color.
- Recognize state HFAs as the center of the nation's affordable housing finance system.

# The Political Environment

- New administration, new personnel
- Ambitious, extensive Build Back Better agenda
- One-party Democratic control, BUT...
- Barriers to action remain



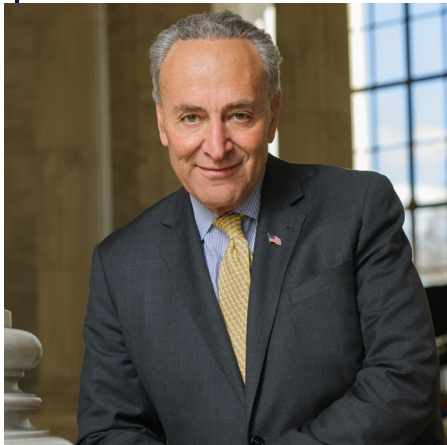
# The Legislative Environment

- 117<sup>th</sup> Congress begins after a year of significant emergency spending on COVID-19 relief.
- Democratic control in both chambers with extremely slim majorities.
- President Biden has an expansive housing legislative agenda.
- Many members of Congress in both chambers are looking to play a leadership role in affordable housing legislation.
- Affordable housing and housing need have become top issues in the media.



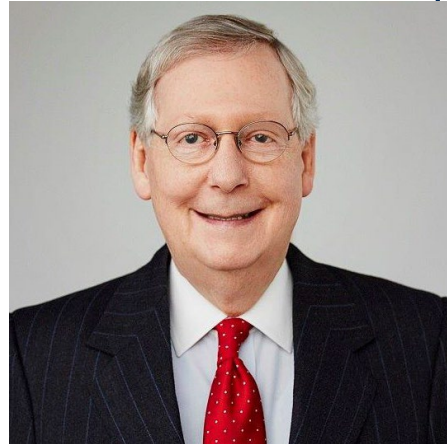


# Congressional Leadership



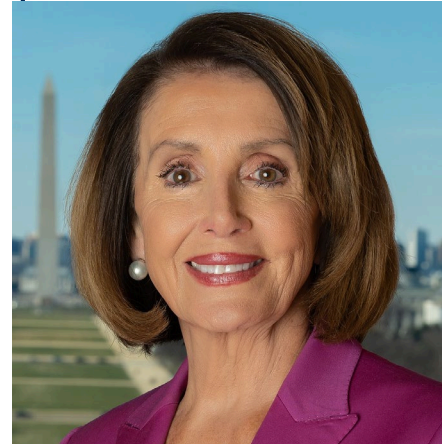
**SENATE MAJORITY  
LEADER**

Chuck Schumer  
(D-NY)



**SENATE MINORITY  
LEADER**

Mitch McConnell  
(R-KY)



**HOUSE SPEAKER**  
Nancy Pelosi  
(D-CA)



**HOUSE MINORITY  
LEADER**

Kevin McCarthy  
(R-CA)

# **NCSHA's 2020 Major Legislative Accomplishments**

- Establishment of \$25 billion Emergency Rental Assistance program at Treasury
- Minimum 4 percent rate for bond-financed Housing Credit properties and acquisition costs
- Additional Housing Credit disaster authority for 11 states and Puerto Rico

# American Rescue Plan Act

- \$21.55 billion in supplemental funds for Emergency Rental Assistance program
- Establishment of \$9.961 billion Homeowner Assistance Fund
- \$5 billion for Homeless Assistance and Supportive Services program under HOME
- Housing resources for emergency housing vouchers, rental assistance for households in USDA-subsidized housing, housing counseling, relief for Sections 502 and 504 direct loan borrowers, Fair Housing activities, and Native American housing programs





# Showing Our Appreciation

- Thank members of Congress who supported our 2020 accomplishments and/or our housing priorities in the American Rescue Plan Act.
- Let them know how a minimum 4 percent Housing Credit rate and additional disaster credit (if applicable) will increase production in your state.
- Tell them how you will be able to help struggling renters and homeowners with Emergency Rental Assistance and the Homeowner Assistance Fund resources.
- Make them aware of how HOME/Homeless Assistance will impact your ability to serve those most in need.





# The Legislative Landscape: Tax



## Senate Finance Committee



### CHAIR

Ron Wyden  
(D-OR)



### RANKING MEMBER

Mike Crapo  
(R-ID)



## House Ways & Means Committee



### CHAIR

Richard Neal  
(D-MA)



### RANKING MEMBER

Kevin Brady  
(R-TX)



# Senate Finance Committee

## DEMOCRATS

**CHAIR: Ron Wyden (OR)**

Debbie Stabenow (MI)  
Maria Cantwell (WA)  
Robert Menendez (NJ)  
Thomas R. Carper (DE)  
Benjamin L. Cardin (MD)  
Sherrod Brown (OH)  
Michael F. Bennet (CO)  
Bob Casey (PA)  
Mark R. Warner (VA)  
Sheldon Whitehouse (RI)  
Maggie Hassan (NH)  
Catherine Cortez Masto (NV)  
Elizabeth Warren (MA)

## REPUBLICANS

**RANKING MEMBER: Mike Crapo (ID)**

Chuck Grassley (IA)  
John Cornyn (TX)  
John Thune (SD)  
Richard Burr (NC)  
Rob Portman (OH)  
Patrick J. Toomey (PA)  
Tim Scott (SC)  
Bill Cassidy (LA)  
James Lankford (OK)  
Steve Daines (MT)  
Todd Young (IN)  
Ben Sasse (NE)  
John Barrasso (WY)

Retiring



# House Ways and Means Committee

## DEMOCRATS

### CHAIR: Richard Neal (MA)

Lloyd Doggett (TX)

Mike Thompson (CA)

John B. Larson (CT)

Earl Blumenauer (OR)

Ron Kind (WI)

Bill Pascrell (NJ)

Danny Davis (IL)

Linda Sánchez (CA)

Brian Higgins (NY)

Terri Sewell (AL)

Suzan DelBene (WA)

Judy Chu (CA)

Gwen Moore (WI)

Dan Kildee (MI)

Brendan Boyle (PA)

Donald Beyer (VA)

Dwight Evans (PA)

Bradley Schneider (IL)

Thomas Suozzi (NY)

Jimmy Panetta (CA)

Stephanie Murphy (FL)

Jimmy Gomez (CA)

Steven Horsford (NV)

Stacey Plaskett (VI)

## REPUBLICANS

### RANKING MEMBER: Kevin Brady (TX)

Devin Nunes (CA)

Vern Buchanan (FL)

Adrian Smith (NE)

Tom Reed (NY)

Mike Kelly (PA)

Jason Smith (MO)

Tom Rice (SC)

David Schweikert (AZ)

Jackie Walorski (IN)

Darin LaHood (IL)

Brad Wenstrup (OH)

Jodey Arrington (TX)

Drew Ferguson (GA)

Ron Estes (KS)

Lloyd Smucker (PA)

Kevin Hern (OK)

Carol Miller (WV)

# AHCIA Lead Sponsors



Maria Cantwell  
(D-WA)



Todd Young  
(R-IN)

**SENATE**



Ron Wyden  
(D-OR)



Coming Soon



Suzan DelBene  
(D-WA)

**HOUSE**



Jackie Walorski  
(R-IN)



Don Beyer  
(D-VA)



Coming Soon

# What's in AHCIA?

- Expands the Housing Credit volume cap by 50 percent above the current level (building 12.5 percent increase into baseline and accounting for inflation during two-year phase in)
- **POTENTIAL NEW PROVISION:** Lowers the bond “financed-by” threshold from 50 to 25 percent
- Allows states to award a 30 percent basis boost to Housing Bond-financed developments
- Establishes a 50 percent basis boost for units reserved for ELI households in properties that reserve at least 20 percent of units for ELI households
- Expands multifamily Housing Bond recycling authority



## What's in AHCIA?

- Makes the Credit a more effective tool for preservation
  - Greater flexibility for existing tenant income eligibility
  - Includes relocation expenses in rehabilitation expenditure
- Enables the Credit to better serve hard-to-reach communities through basis boosts for rural, Native American, high-poverty, and high-cost communities
- Streamlines program rules like the Student Rule and requirements related to casualty loss and AIT in bond-financed properties
- Ensures protections for veterans and survivors of domestic violence, dating violence, and human trafficking

# AHCIA Action Items

*In the 116<sup>th</sup> Congress, 41 Senators and 233 House members cosponsored the bills. Let's beat that record!*

Cosponsorship targets:

- All members who cosponsored last Congress
- All new members of Congress
- Special focus on Finance/Ways and Means and Banking/Financial Services Committees and THUD Subcommittees

**Affordable  
Housing Credit  
Improvement  
Act (#AHCIA)**



# Mortgage Revenue Bond Priorities

*NCSHA continues to work with Senator Cortez Masto on legislation to enact our MRB and MCC priorities, but introduction of that legislation has been delayed due to pandemic-related housing priorities.*

- Eliminate the MRB purchase price limitation
- Repeal the MRB refinancing limitation
- Increase the MRB home improvement loan limit
- Repeal the MRB 10-year rule
- Eliminate the MRB and MCC recapture tax



Senator Catherine  
Cortez Masto  
(D-NV)

# Mortgage Credit Certificate Priorities



- Allow MCCs to be recycled
- Allow HFAs to shorten or “front load” the MCC benefit
- Simplify the MCC calculation
- Extend the MCC expiration period
- Extend the MCC revocation period
- Reform the MCC public notice requirement
- Eliminate the MCC lender reporting requirement
- Rename the MCC program

# Neighborhood Homes Investment Act

- Tax credit for production of single-family affordable housing in distressed areas
- State-administered
- Senators Cardin (D-MD), Brown (D-OH), Coons (D-DE), Portman (R-OH), Scott (R-SC), and Young (R-IN) re-introduced NHIA as S.98 on January 28
- Eligible area maps available at [neighborhoodhomesinvestmentact.org](https://neighborhoodhomesinvestmentact.org)



# Neighborhood Homes Investment Act

- House introduction likely soon by Higgins (D-NY) and Kelly (R-PA)
- Possible inclusion in infrastructure or other tax legislation
- Included in the Moving Forward Act (infrastructure) in the previous Congress



# Decent, Safe, and Affordable Housing for All Act (DASH)

- Finance Committee Chairman Wyden expected soon to introduce comprehensive housing legislation (potentially multiple bills) covering both spending and tax issues
- Tax issues will include some of NCSHA's priorities: Certain Housing Credit provisions and potentially NHIA, as well as other housing tax items such as a down payment credit, middle income housing tax credit, and renters' credit
- Affordable housing spending programs such as new vouchers, funding for supportive services, additional HTF funding, and more

# How will all — or any — of this move forward?

- Infrastructure legislation: “Build Back Better”
  - Regular order vs. reconciliation
- End-of-year tax legislation
  - Back in the extenders game!
- Something else?



# HFA Tax Advocacy at LegCon

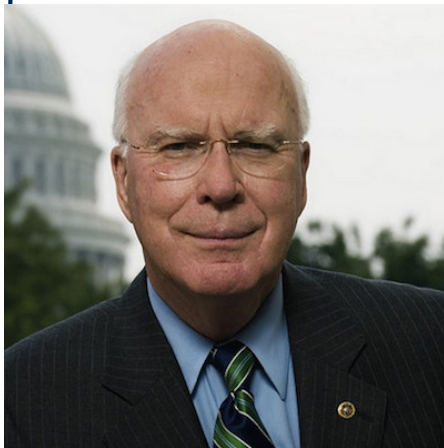
- Go get your AHCIA cosponsors lined up.
- Tell your members why we need to streamline the MRB and MCC programs (focus these requests on tax Committee members).
- Encourage cosponsorship of NHIA.
- Make the case that our housing tax priorities should be included in infrastructure legislation this year.



# The Legislative Landscape: **Spending**

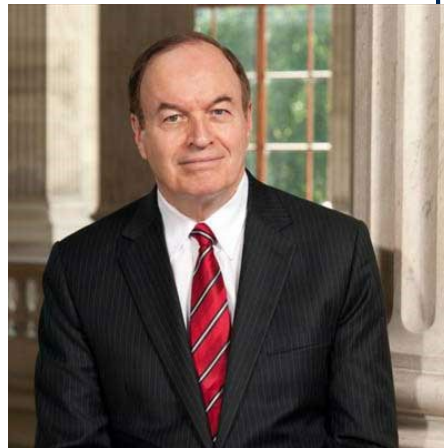


## Senate Appropriations Committee



### **CHAIR**

Patrick Leahy  
(D-VT)



### **RANKING MEMBER**

Richard Shelby  
(R-AL)



## House Appropriations Committee



### **CHAIR**

Rosa L. DeLauro  
(D-CT)



### **RANKING MEMBER**

Kay Granger  
(R-TX)



# Senate Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies

## DEMOCRATS

**CHAIR:** Brian Schatz (HI)

Jack Reed (RI)

Patty Murray (WA)

Richard Durbin (IL)

Dianne Feinstein (CA)

Christopher Coons (DE)

Chris Murphy (CT)

Joe Manchin (WV)

Chris Van Hollen (MD)

## REPUBLICANS

**RANKING MEMBER:** Susan Collins (ME)

Richard Shelby (AL)

Roy Blunt (MO)

John Boozman (AR)

Shelley Moore Capito (WV)

Lindsey Graham (SC)

John Hoeven (ND)

John Kennedy (LA)

Mike Braun (IN)

Retiring



# House Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies

## DEMOCRATS

**CHAIR: David Price (NC)**

Mike Quigley (IL)

Katherine M. Clark (MA)

Bonnie Watson Coleman (NJ)

Norma J. Torres (CA)

Pete Aguilar (CA)

Adriano Espaillat (NY)

Jennifer Wexton (VA)

David J. Trone (MD)

## REPUBLICANS

**RANKING MEMBER: Mario Diaz-Balart (FL)**

Steve Womack (AR)

John Rutherford (FL)

Mark Garcia (CA)

Ashley Hinson (IA)

Tony Gonzales (TX)



# Senate Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

## DEMOCRATS

**CHAIR:** Tammy Baldwin (WI)

Jeff Merkley (OR)

Dianne Feinstein (CA)

Jon Tester (MT)

Patrick Leahy (VT)

Brian Schatz (HI)

Martin Heinrich (NM)

## REPUBLICANS

**RANKING MEMBER:** John Hoeven (ND)

Mitch McConnell (KY)

Susan Collins (ME)

Roy Blunt (MO) ← Retiring

Jerry Moran (KS)

Cindy Hyde-Smith (MS)

Mike Braun (IN)



# House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

## DEMOCRATS

**CHAIR: Sanford Bishop, Jr. (GA)**

Chellie Pingree (ME)

Mark Pocan (WI)

Lauren Underwood (IL)

Barbara Lee (CA)

Betty McCollum (MN)

Debbie Wasserman Schultz (FL)

Henry Cuellar (TX)

Grace Meng (NY)

## REPUBLICANS

**RANKING MEMBER: Jeff Fortenberry (NE)**

Robert Aderholt (AL)

Andy Harris (MD)

David Valadao (CA)

John Moolenaar (MI)

Dan Newhouse (WA)

# The Legislative Landscape: Spending

- First time Congress will be working without budget caps in 10 years!
- Budget framework vs. full budget
- Timing of mark-ups in the House and Senate



# HFA Appropriations Advocacy at LegCon: HOME

Share data and stories about HOME in your state:

- [HOME State Fact Sheets](#)
- [HOME Project Profiles](#)

### HOME Project Profile

#### Massachusetts | Village at Nauset Green

**OVERVIEW**

The Village at Nauset Green is a 65-unit multi-family development with 50 affordable units (below 60% AMI), including 11 for extremely low income, plus 15 'workforce' units serving residents earning up to 100% of AMI. The project's design aims to evoke the local Cape Cod style and create a small village feel for residents, with buildings clustered around two common green spaces. The objective of the development is to help alleviate the demand for quality, affordable housing on Cape Cod, a longtime summer tourist destination where the housing market is significantly impacted by seasonal renters and homeowners.



### HOME Project Profile

#### Mississippi | The Reserves of Gray Park

**OVERVIEW**

The Reserves of Gray Park is the Mississippi Delta's first sustainable, healthy community, and includes 42 multi-family townhouse style units consisting of one, two and three bedroom structures. The property is built on eight acres of land donated to Greater Greenville Housing & Revitalization, a Community Housing Development Organization (CHDO), by the City of Greenville. The project is Greenville's largest single unit housing development in more than thirty years, and will serve individuals and families at or below 80% AMI, with 62.5% of the units reserved for very low-income residents. This development had a tremendous impact on the local economy through its support of local contractors, businesses, Minority Owned Businesses (MBE), Women Owned Businesses and its commitment to hiring low-income individuals in the community. 97% of the total funds for this development were used to support local contractors and/or businesses.

**HIGHLIGHTS**

- Location: Greenville, MS
- Program Type: Rental Housing
- Beneficiaries: very-low and low-income persons
- Total Units: 42
- HOME Units: 42



**FUNDING**

Funding Sources	Investment Amount
HOME	\$4,252,719
Private Funds	\$1,766,030
<b>Total Investments</b>	<b>\$6,018,749</b>





[ncsha.org/home-coalition](https://ncsha.org/home-coalition)



## HFA Appropriations Advocacy at LegCon: HOME

- Production, preservation, and homeownership accomplishments
- Critical gap financing with Housing Tax Credit (increased demand due to 4 percent fix), Rental Assistance Demonstration, disaster recovery
- Housing for persons with special needs, including persons with disabilities, aging populations, and those experiencing homelessness
- Local economic benefits: HOME has supported more than 1.9 million jobs and generated \$124 billion in local economic impact

### HOME Project Profile

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##### OVERVIEW

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##### HIGHLIGHTS

- ▶ Location: Greenville, MS
- ▶ Program Type: Rental Housing
- ▶ Beneficiaries: very-low and low-income persons
- ▶ Total Units: 42
- ▶ HOME Units: 42

	Investment Amount
HOME	\$550,000
Private Funds	\$9,299,070
Total Investments	\$5,249,682
Jobs	\$8,094,597
Local Economic Impact	\$23,193,349



##### FUNDING

Funding Sources	Investment Amount
HOME	\$4,252,719
Private Funds	\$1,766,030
Total Investments	\$6,018,749



[ncsha.org/home-coalition](https://ncsha.org/home-coalition)

# HFA Appropriations Advocacy at LegCon: **HOME**

- Thank members of Congress for funding HOME at \$1.35 billion in FY 2021.
- Ask Congress to restore regular annual HOME funding to at least \$1.7 billion in FY 2022.
- Tell members of Congress how your state may use the Homeless Assistance and Supportive Services program within HOME (funded in the American Rescue Plan Act).



# **HFA Appropriations Advocacy at LegCon: Section 8 & Vouchers**

- **Support Project-Based Section 8 Rental Assistance**
  - Ask Congress to provide funding for all Section 8 contract renewals and adequate funding for contract administration.
- **Support Housing Choice Vouchers**
  - Congress should work to provide sufficient funding to renew all authorized vouchers and support new ones in FY 2022.
  - Congress should also ensure program administrators are compensated fairly for their work with adequate administrative fees, which have been underfunded in recent years.

# HFA Appropriations Advocacy at LegCon: **USDA**

- **Support USDA Rural Housing Programs**  
Congress should provide at least current level funding for USDA's rural housing programs and facilitate their coordination with the Housing Credit and other HFA-administered programs.



# The Legislative Landscape: Housing Policy



## Senate Banking, Housing, and Urban Affairs Committee



### CHAIR

Sherrod Brown  
(D-OH)



### RANKING MEMBER

Patrick J. Toomey  
(R-PA)



## House Financial Services Committee



### CHAIR

Maxine Waters  
(D-CA)



### RANKING MEMBER

Patrick McHenry  
(R-NC)

# Senate Banking, Housing, and Urban Affairs Committee

## DEMOCRATS

**CHAIR: Sherrod Brown (OH)**

Jack Reed (RI)

Robert Menendez (NJ)

Jon Tester (MT)

Mark Warner (VA)

Elizabeth Warren (MA)

Chris Van Hollen (MD)

Catherine Cortez Masto (NV)

Tina Smith (MN)

Kyrsten Sinema (AZ)

Jon Ossoff (GA)

Raphael Warnock (GA)

## REPUBLICANS

**RANKING MEMBER: Patrick Toomey (PA)**

Richard Shelby (AL)

Mike Crapo (ID)

Tim Scott (SC)

Mike Rounds (SD)

Thom Tillis (NC)

John Kennedy (LA)

Bill Hagerty (TN)

Cynthia Lummis (WY)

Jerry Moran (KS)

Kevin Cramer (ND)

Steve Daines (MT)

Retiring





# House Financial Services Committee

## DEMOCRATS

### CHAIR: Maxine Waters (CA)

Carolyn Maloney (NY)	Al Lawson (FL)
Nydia Velázquez (NY)	Michael San Nicolas (GU)
Brad Sherman (CA)	Cindy Axne (IA)
Gregory Meeks (NY)	Sean Casten (IL)
David Scott (GA)	Ayanna Pressley (MA)
Al Green (TX)	Ritchie Torres (NY)
Emanuel Cleaver (MO)	Stephen F. Lynch (MA)
Ed Perlmutter (CO)	Alma Adams (NC)
Jim Himes (CT)	Rashida Tlaib (MI)
Bill Foster (IL)	Madeleine Dean (PA)
Joyce Beatty (OH)	Alexandria Ocasio-Cortez (NY)
Juan Vargas (CA)	Jesús “Chuy” Garcia (IL)
Josh Gottheimer (NJ)	Sylvia Garcia (TX)
Vicente Gonzalez (TX)	Nikema Williams (GA)
	Jake Auchincloss (MA)

## REPUBLICANS

### RANKING MEMBER: Patrick McHenry (NC)

Frank Lucas (OK)	Alexander Mooney (WV)
Bill Posey (FL)	Warren Davidson (OH)
Blaine Luetkemeyer (MO)	Ted Budd (NC)
Bill Huizenga (MI)	David Kustoff (TN)
Steve Stivers (OH)	Trey Hollingsworth (IN)
Ann Wagner (MO)	Anthony Gonzalez (OH)
Andy Barr (KY)	John Rose (TN)
Roger Williams (TX)	Bryan Steil (WI)
French Hill (AR)	Lance Gooden (TX)
Tom Emmer (MN)	William Timmons (SC)
Lee M. Zeldin (NY)	Van Taylor (TX)
Barry Loudermilk (GA)	





# HOME Program Reauthorization

- Ongoing conversations with House and Senate authorizers about the need for legislative fixes and reauthorization of HOME, last reauthorized nearly 30 years ago

# HOME Program Reauthorization

- Proposed fixes:
  - Update authorized funding level
  - Changes to CHDO set-aside
  - Raise cap on operating assistance to 10 percent
  - Allow for pro-rated repayment for noncompliance
  - Increase administration resources to 15 percent
  - Eliminate 24-month commitment deadline
  - Allow national standard for inspections
  - Eliminate certain resale restrictions
  - Modify PJ qualification threshold
  - Establish HOME loan guarantee (mirror CDBG Section 108)

# FHA-HFA Risk-Sharing Program

- Support legislation to reinstate the Federal Financing Bank (FFB) Initiative or to authorize Ginnie Mae to securitize Risk-Sharing loans.

# FHA-HFA Risk-Sharing Program

- The FHA-HFA Risk-Sharing program allows state HFAs that meet rigorous financial standards to underwrite FHA multifamily loans in return for sharing the risk of losses on those loans.
- The program has been a huge success, with 38 state HFAs financing more than 1,703 loans, totaling nearly \$12.6 billion in principal and supporting more than 193,490 affordable rental homes.
- Providing less expensive liquidity through FFB or Ginnie Mae will reduce the cost of financing rental housing developments, making it possible to achieve lower rents and reach even lower-income tenants.

# Housing Finance Reform Legislation

- Legislative discussion muted; lesser priority for Biden-Harris Administration and congressional leadership
- Continuing discussion about need for legislation and best approach
- Growing interest in a utility model
- Changes in FHFA director possible



# Housing Finance Reform Regulation

FHFA has been active and will continue to be so

- Capital Rule
- COVID-19 Relief
- Affordable Housing Goals
- Duty to Serve
- Climate Impact Risk



## 2021 LEGISLATIVE CONFERENCE



Advocacy materials are  
available on [ncsha.org](https://ncsha.org).





# Questions?