

U.S. Senator Maria Cantwell

U.S. Senate Floor Statement on the Affordable Housing Tax Credit

October 28, 2021

[\[AUDIO\]](#) [\[VIDEO\]](#)

CANTWELL: Mr. President I come to the floor this afternoon to talk about the affordable housing crisis in the United States of America. And before I get going, I would like to add into the record a letter from 44 different mayors representing 20 different states and the District of Columbia, talking about those housing priorities that we need to see in legislation that we'll be voting on, including number one, strengthening and expanding the Low-Income Housing Tax Credit.

Many of my colleagues, 29, have joined a bill that myself and Senator Young sponsored, I think 132 members in the House of Representatives joined, all about saying we need to incent more affordable housing, why do we need to incent more affordable housing? Well, because if you don't incent it with a tax credit, then people won't build it. Particularly in a place like Seattle, where you can build other things that'll get a lot more money. But we need a workforce and we need the workforce to be in Seattle, we don't need them to be four counties away and drive in every day and clog our roads with added traffic that didn't need to be there. We need to build people close to their homes.

And we need the flexibility of the Affordable Housing Tax Credit, which has been, in my mind, very helpful in being very specific in every community. You can build affordable housing just for returning veterans, you can build affordable housing for workforce needs, you can build affordable housing just to house previously homeless people, you can build affordable housing to take students who are still going to school and don't have a place to live, making them have affordable opportunities.

So the Affordable Housing Tax Credit is the primary tool at which we build housing. Well, let me just say that 90% of the affordable housing that gets built in the United States of America gets built with the tax credit. That's right...90% of affordable housing gets built with the tax credit. So that means even if we have other programs in the legislation that we've been talking about between the House and Senate, like the Home Grant Program, or vouchers, or things of that nature, if you don't use this aspect of the program, you're not going to be able to build [that] housing. So it's been incredibly popular. And that's why we have to increase the amount of capital that we are going to put towards the tax incentive.

And the reason why we have to do that is that the United States has a supply shortage, you can ask, why did we get to this supply shortage? But if you ask me, it's really accentuated in the downturn of 2008 when so many more individuals fell out of the job market, creating more demand for affordable housing at that price point. We also, at that point, had a lot of returning veterans and we had really some very big changes in the diversification of our economy. We had a lot of mental health that had been deinstitutionalized and pushed in a different direction. And

we had changes in policy, as we saw the challenges of an aging population, really living a lot longer than people anticipated, and they're also needing housing.

So we had all of these issues combined to this dramatic effect of [a] 6.8 million affordable housing shortage in the United States of America. That's the amount of units that we actually have to build.

And I wish I could say that these problems go away, you know, if you say well, if they don't build the housing, it'll just take care of itself. Now it doesn't take care of itself. If these people end up being homeless, it costs 30% more to deal with them in our hospitals, in jails, in various places if people are truly homeless and living on the streets [at an] extra cost. We've actually had hospitals support building affordable housing, just so people wouldn't be in their emergency room every day. That's how much it was worth that the hospitals to have affordable housing.

So the crisis, as we know in America, is that there are now 10.5 million Americans who pay more than 50% of their income in rent. That means they are rent burdened, and this number has just continued to go up in the charts for years in growth and basically continue to exacerbate the problem. Why? Because people will tell you, you can't spend 50% of your income in rent. So these dynamics are what is plaguing us in the United States and it is a problem that until we increase the Affordable Housing Tax Credit, you're not going to get the relief you think that you can get out of this situation.

So our legislation, myself and Senator Young's legislation, would have increased the tax credit by 50% over a 10 year period of time. That would have helped us build a million more units of affordable housing and try to address this problem in the near term. But I hope our colleagues will, as we work through both the proposals that have been part of our infrastructure bill, and the Reconciliation Act, look and see that we need to include the Low-Income Housing Tax Credit as part of that proposal.

If we don't have the Affordable Housing Tax Credit as a part of that proposal, we're not going to have the robust solutions that we need. And while I understand there's varied geographic differences across the United States, the East Coast may have some particular aspects that will be very benefited. The West Coast has other aspects that would benefit — we all can benefit from the Low-Income Housing Tax Credit program, and that's what's so unique about it.

Every state has used it with great flexibility. Every state has used it to solve their problems, and the incentives have helped us stimulate the economy. It's literally worth billions of dollars of economic activity, and that is why we also should be making this investment.

Many times when our country has faced a downturn, in the 60s or 70s or 80s, you would hear a shout-out for housing. People would say let's build housing. Well, you haven't heard that shout-out in the last decade or so. You literally haven't for a bunch of different reasons. No one has been trumpeting, 'we need more housing.'

Well, I tell you, Mr. President, we need more affordable housing. For those individuals, and I've met so many in my state whose lives have been changed, literally changed. A woman who

basically got out of an abusive relationship and moved in with her father in Walla Walla, but knew it wasn't sustainable, she had lived in Bellingham. Basically, the affordable housing program in Walla Walla got her and her son into a home, she started school, she got a job, changed her life.

I've seen it recently in Spokane, take a couple who basically had become homeless, separated, had children that couldn't all live together, bring them back together under one roof. And in this particular housing project, the promise was made by the partners that everybody in that particular housing would get access, not only to help them get a high school education, but a college education as well.

That's what you can do with these projects. You can tailor-made them with community partners to address the needs of your specific community. So this tax credit is bipartisan. It's worked successfully. I would say it's one of the most successful programs that we've had in the United States for getting affordable housing. Let's not leave it off the table, let's put it in this legislation and make sure it gets to the goal line of the President's desk and is signed into law.

I thank the president and I yield the floor