

Call To Action: Support H.R. 2 and Wyden-Cantwell Bill in the Senate

This week, two important pieces of federal legislation were introduced that address key Low Income Housing Tax Credit and Private Activity Bond priorities for the affordable housing community.

Moving Forward Act H.R. 2

On Monday, June 22, House Democrats introduced the Moving Forward Act. The bill would invest substantially in roads, bridges, schools, broadband access, and affordable housing. It proposes to increase the amount of Housing Credit and Private Activity Bond authority provided to states annually, make a number of changes to the Housing Credit and Bond programs detailed further below, establish a new state-administered single-family housing tax credit, and make a number of other changes [summarized here](#). House leaders have said they plan for the House to consider H.R. 2 before it adjourns for its next recess, probably July 2 or 3.

Emergency Affordable Housing Act of 2020

On Thursday, June 25, Senate Finance Ranking member Senator Ron Wyden (D-OH) and Senator Maria Cantwell (D-WA) introduced standalone Senate companion legislation to the Housing Credit provisions included in H.R. 2. The bill, the Emergency Affordable Housing Act of 2020, does not have a bill number at this time; however, the [bill text](#), [a one-page summary](#), and a more [detailed summary](#) are available.

Key Provisions

Like the Moving Forward Act, the Emergency Affordable Housing Act of 2020 would:

- permanently increase the annual Housing Credit authority from \$2.81 per capita to \$4.56 per capita, and increase the small state minimum from \$3,217,500 to \$5,214,051, both phased in over two years;
- set a permanent minimum 4 percent rate for tax-exempt bond-financed properties;
- lower the financed-by threshold for tax-exempt bond financing necessary to trigger the 4 percent Credit from 50 percent to 25 percent;
- establish new 30 percent basis boosts for properties in rural and Indian areas and for bond-financed properties for which the state agency determines a basis boost is needed for financial feasibility;
- establish a new 50 percent basis boost for properties in which at least 20 percent of the units are reserved for and affordable to extremely low-income (ELI) households (the basis boost would be available proportionally based on the percent of ELI units in the property);
- provide states an increase of 10 percent above their annual Housing Credit ceiling to finance properties receiving the aforementioned ELI basis boost;
- temporarily extend the 10 percent test and placed-in-service deadlines by 12 months, applicable to properties that receive an allocation of Credits between December 31, 2016, and January 1, 2022;
- temporarily extend the rehabilitation expenditure deadline by 12 months, applicable to properties that receive an allocation of Credits between December 31, 2016, and January 1, 2022;
- repeal the Qualified Contract provision in the tax code that allows owners to terminate the affordability restrictions on a property before the end of the property's extended use period for properties that receive an allocation of Credits after January 1, 2020; and for existing properties, modify the Qualified Contract price to base it on fair market value as restricted;
- prohibit requirements for local approval or local contributions as a condition of receiving Credits and remove the requirement that state agencies notify the local elected officials in areas in which a proposed building would be located;
- establish a taxpayer election to receive an accelerated 150 percent first-year credit to offset delays resulting from the COVID-19 crisis;
- create a new 25 percent tax credit for contributions to a qualified, supportive housing reserve fund for Housing

Call To Action

CHFA encourages affordable housing advocates to contact Congressional Delegation members to encourage their support for advancing these key affordable housing provisions.

Specifically, please thank House Democrats for including the Credit and Bond provisions in H.R. 2 and encourage all House Members to support H.R. 2.

Rep. Diana DeGette (D-CD1) <https://degette.house.gov/>
Rep. Joe Neguse (D-CD2) <https://neguse.house.gov/>
Rep. Scott Tipton (R-CD3) <https://tipton.house.gov/>
Rep. Ken Buck (R-CD4) <https://buck.house.gov/>
Rep. Doug Lamborn (R-CD5) <https://lamborn.house.gov/>
Rep. Jason Crow (D-CD6) <https://crow.house.gov/>
Rep. Ed Perlmutter (D-CD7) <https://perlmutter.house.gov/>

Also, please contact both Senator Michael Bennet (D-CO) and Senator Cory Gardner (R-CO) to encourage their co-sponsorship and support for the Emergency Affordable Housing Act of 2020.

Sen. Michael Bennet (D-CO) <https://www.bennet.senate.gov/public/>
Sen. Cory Gardner (R-CO) <https://www.gardner.senate.gov/>

Advocacy Resources

Click to view the H.R. 2 [bill text](#), [a section-by-section summary](#), and a [fact sheet](#).

Click to view the Emergency Affordable Housing Act of 2020 [bill text](#), a [one-page summary](#), and [detailed summary](#).

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