

From: The Honorable Keith Ellison
Sent By: carol.wayman@mail.house.gov
Bill: H.R. 1213
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Co-sponsor the Common Sense Housing Investment Act of 2013, H.R. 1213

*Current cosponsors: Reps. Clarke, Grijalva, Jeffries, Barbara Lee, McDermott,
Bobby Scott, Slaughter and Frederica Wilson*

Dear Colleague,

On Wednesday, the Appropriations Committee will markup its bill (<http://1.usa.gov/13Qi41b>) for the Departments of Housing and Urban Development and Transportation. It sets up a false choice between affordable housing and austerity.

The bill underfunds, cuts, or eliminates numerous HUD programs including the major rental housing programs. The Subcommittee bill slashes funding for affordable rental housing in nearly every way possible within the bill. The nation will lose more than 100,000 Tenant-Based Rental Assistance vouchers, risk the loss of Project-Based Rental Assistance contracts and provide insufficient funding to maintain public housing units. The HOME Investment Partnerships program which supports new housing will be cut from \$1.8 billion in FY10 to \$700 million. The Community Development Fund, which includes the Community Development Block Grant, would be cut from \$3.3 billion to \$1.7 billion, the lowest funding level since 1975. This budget chart (<http://bit.ly/1al9ivw>) from the National Low Income Housing Coalition provides details.

These cuts come at the same time that housing for low-income families is harder to afford. According to the National Housing Conference (<http://bit.ly/YoYXfm>), "more than one in four working renter households spent more than half of their income on housing costs in 2011. In the past three years, rental housing costs have increased nearly 6% while renters' incomes have fallen more than 3%."

Most experts recommend no more than 30% of household income be dedicated to housing costs to avoid squeezing out other needs like education, food, medicine and personal savings. **Experts estimate that an additional 7 million homes affordable to extremely low-income households are needed immediately. We are losing ground with this appropriations bill.**

There is a better way. My bill, the Common Sense Housing Investment Act of 2013 (H.R.1213) would expand the supply of affordable rental housing for extremely low-income families while reducing the debt. It replaces the current mortgage interest deduction with a 15% tax credit on mortgages up to \$500,000 a year. This change would provide about \$200 billion over ten years. Following the recommendation of the Bipartisan Housing Commission (<http://bit.ly/12tnZVG>), my bill keeps the funds in the housing sector and meets the needs of homeless families, veterans and low-income elderly.

I welcome your support for investment in affordable rental housing. Please cosponsor the Common Sense Housing Investment Act of 2013 to better target our nation's housing investments. At a cost of \$70 billion a year, the mortgage interest deduction receives more than \$10 billion more than HUD. Nearly 80% of the mortgage interest deduction benefits families in the top-income quintile. About half of households with a mortgage do not benefit from the mortgage interest deduction as they take the standard deduction. Please contact Carol.Wayman@mail.house.gov or 5.4755 for more information or to become a co-sponsor.

Sincerely,

Keith Ellison
Member of Congress