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# A home is the *foundation.*

March XX, 2014

Senator Tim Johnson  
Chairman  
Committee on Banking, Housing, and Urban Affairs  
U.S. Senate  
Washington, DC 20510

Senator Mike Crapo  
Ranking Member  
Committee on Banking, Housing, and Urban Affairs  
U.S. Senate  
Washington, DC 20510

Dear Chairman Johnson and Ranking Member Crapo,

The undersigned supporters of the National Housing Trust Fund (NHTF) write to wholeheartedly thank you for creating a robust dedicated source of revenue for the NHTF in your draft Housing Finance Reform and Taxpayer Protection Act of 2014. We are grateful that you have prioritized the housing needs of very poor Americans in your bill. We pledge to support your efforts on the NHTF as the legislation moves forward.

As you know, there is a nationwide shortage of seven million rental homes that are affordable and available to extremely low income households, those with incomes at or below of 30% of the area median. The primary purpose of the NHTF is to build, preserve, rehabilitate, and operate rental housing affordable to these families.

We commend you for retaining the principle that the housing finance industry should be assessed a modest amount to support housing activities that the market does not, specifically housing that the poorest families can afford. You also are continuing a long tradition of bipartisan agreement that helping the most vulnerable citizens is a proper function of government.

The bill as drafted would direct to the NHTF 75% of the 10 basis point fee assessed on users of the new housing finance system, estimated to be \$3.75 billion a year. This would be the most significant new investment in rental housing affordable to America's neediest families in forty years.

The NHTF dollars, which will be administered as a block grant to states from HUD, will be a "game-changer" in the ability of states to assure decent and affordable homes for their residents who are elderly, have

disabilities, are homeless, or are low wage working families. Further, your addition of a tribal set-aside within the NHTF will make a real difference in addressing the severe unmet housing needs in Indian Country. We fully endorse this change to the NHTF statute.

We thank you for your commitment to supporting affordable rental housing for the poorest and most vulnerable households in America. We look forward to working with you to develop your historic legislation that will create a housing finance system for the future that supports the full range of housing needs of Americans, especially those who have the least.

Sincerely,