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The National Housing Trust Fund Campaign Applauds Passage of H.R. 3221

WASHINGTON, DC - The National Housing Trust Fund Campaign applauds the U.S. House of Representatives for passage of H.R. 3221, the American Housing Rescue and Foreclosure Prevention Act of 2008, on July 23 with a bipartisan vote of 272-152. The campaign now urges the Senate to quickly act on the bill and send it to President Bush for his signature. Senate leadership expects the pass the bill easily and President Bush has said he will sign it.

Among the bill's numerous provisions is the establishment of a National Housing Trust Fund for the purpose of building and preserving rental homes that are affordable to the lowest income families with the most serious housing problems. The bill creates a permanent fund that is managed by the U.S. Department of Housing and Urban Development, which will distribute funds to states using a need- based formula. States will make grants to housing providers who will build and operate the housing.

The initial funding source for the Housing Trust Fund will be annual contributions from Fannie Mae and Freddie Mac. Contributions to the Housing Trust Fund will be phased in over three years. When fully operational, there will at least \$300 million a year to distribute. The bill also allows Congress to credit, transfer, or authorize additional revenue to Housing Trust Fund.

If enacted, the Housing Trust Fund will be the first low income housing production program passed by Congress since 1990 and the first that specifically serves extremely low income families^[1] since 1974. Extremely low income families are the only group for whom there is an actual shortage of affordable housing nationwide.

“We congratulate House Financial Services Chairman Barney Frank for producing this very complicated housing package and thank him for his leadership in creating the Housing Trust Fund,” said Sheila Crowley, President of the National Low Income Housing Coalition, which heads up the National Housing Trust Fund Campaign. “When Mr. Frank became chairman, he promised to make the Housing Trust Fund a priority and he has been true to his word.”

Formed in 2001, the goal of the National Housing Trust Fund Campaign is to the produce and preserve 1.5 million homes over 10 years that are affordable to the lowest income families in the United States. With the enactment of this bill, the program will be established at HUD with its initial source of funding. The campaign, representing over 6,000 endorsers across the country, will continue its work to identify new revenue sources to be directed to the Housing Trust Fund.

“Enactment of the National Housing Trust Fund will move us one step closer to achieving the housing goal set by Congress in 1949, ‘a decent home and a suitable living environment for every American family, ’” said Crowley. “We have reached this point because of the hard work of low income housing advocates from across the country and champions in the Congress who are determined that our nation can and should end homelessness and solve the affordable housing crisis.”

^[1]Extremely low income households are those with incomes at or below 30% of their area median.

The National Low Income Housing Coalition is a membership organization dedicated solely to ending America’s affordable housing crisis. NLIHC educates, organizes and advocates to ensure decent, affordable housing within healthy neighborhoods for everyone.

The National Low Income Housing Coalition recognizes journalists who do an exemplary coverage of the affordable housing crisis. For more information, go to www.nlihc.org/cndma.

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