

United States Senate

September 17, 2024

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Sherrod Brown
Chairman Committee on Banking, Housing,
and Urban Affairs
United States Senate
Washington, DC 20510

The Honorable Tim Scott
Ranking Member Committee on Banking,
Housing, and Urban Affairs
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Dear Leader Schumer, Leader McConnell, Chairmen Brown and Wyden, and Ranking Members Scott and Crapo:

Our nation is experiencing an unprecedented housing affordability crisis. With Nevadans facing high costs from the grocery store to the gas pump, surging housing prices are putting an additional strain on already-tight household budgets. While I have been working to advance policies that will lower housing costs, far more needs to be done to support Nevada renters and homebuyers who cannot afford to wait any longer for relief. Congress must answer the call and enact meaningful legislation that increases the supply of affordable housing, reduces barriers to homeownership for first-time homebuyers and working families, and provides targeted rental assistance to help Nevadans find a safe and affordable place to call home.

Rising home prices and dwindling housing stock have created an untenable housing market for renters and homebuyers in Nevada and across the country. Rent and home prices are at record-breaking highs, with home prices increasing nearly 60 percent nationally over the last decade and more than a quarter of renters spending more than half their income on housing costs.¹ In addition to skyrocketing home prices, high interest rates are pushing homeownership out of reach for many hardworking families. I repeatedly have called on the Federal Reserve to cut rates as a way to improve housing affordability, as current high rates continue to drive up the costs of renting, buying, and building homes. Further exacerbating these affordability challenges is a historic undersupply of housing – particularly affordable homes – that is fueled by financing challenges and barriers to development that make it nearly impossible for first-time homebuyers

¹ <https://www.nytimes.com/2024/03/27/briefing/affordable-housing-crisis.html>

to compete.

While all communities are suffering, Nevada's affordable housing crisis is particularly acute, as it has the greatest shortage of affordable units and is estimated to have the second-highest home prices in the country by 2030.² Additionally, Nevadans face a unique challenge with more than 80 percent of land owned by the federal government, limiting the land available for development and creating an additional barrier to building homes affordably. While I am working to free up more land for responsible development through various public lands bills I have introduced, Congress must also ensure developers are in a position to build affordable homes on this land once it is made available.

Congress and the Administration have taken important steps to boost affordable housing development and reduce barriers to homeownership, but housing costs are still too high for too many. The need for greater access to affordable housing is growing more urgent by the day, and if we do not take action, our communities will suffer. Significant investments in housing supply and affordability measures are needed to bring costs down and give hardworking families more breathing room.

For these reasons, I urge Senate Leadership and the Senate Finance and Banking Committees to enact the following housing proposals with the urgency this crisis requires:


- **Enhance and expand tax credits to incentivize affordable housing production.** Affordable housing tax incentives have long played an important role in helping close the supply gap and enable more low- and middle-income Americans to become homeowners. It is more important than ever for Congress to leverage these resources and invest in and expand tax credits that incentivize housing development, such as the Low-Income Housing Tax Credit, the Neighborhood Homes Investment Act Tax Credit, and the New Markets Tax Credit.
- **Invest in existing housing supply programs to address the housing shortage.** Federal housing production programs such as the HOME Investment Partnerships Program, the Housing Trust Fund, and the Capital Magnet Fund have helped communities in Nevada and across the country address their affordable housing shortages by providing grants to create and rehabilitate affordable units. Demand for housing supply funding has only grown as the housing crisis has worsened, and it is critical that federal investment scale with communities' needs.
- **Reduce barriers to affordable and sustainable homeownership through down payment assistance and tax credits.** For too many Nevada families, homeownership remains out of reach due to high down payments and mortgage rates. Saving for a down payment is often the largest barrier to accessing homeownership, especially for first-time homebuyers, and down payment assistance helps bridge that gap. Supporting and expanding federal down payment assistance programs and measures like the First-Time Homebuyer Tax Credit Act are vital steps toward lowering the cost of homeownership and helping more families achieve the American Dream.

² <https://963kklz.com/2024/05/14/nevada-houses-expensive-by-2030/>

- **Expand access to rental assistance for low-income renters.** Housing vouchers serve as a lifeline for the millions of low-income families that rely on them to afford safe and stable housing. While the Housing Choice Voucher program and related programs such as the HUD-Veterans Affairs Supportive Housing program (HUD-VASH) are proven tools to combat homelessness and improve housing security, including for our veterans, they have long been underfunded. Congress must increase funding for these programs to better meet the needs of the most vulnerable in our communities.
- **Increase federal resources for rural housing to help rural communities thrive.** Our nation's rural communities have unique housing needs that deserve targeted federal assistance. Rural areas have a disproportionate amount of the country's substandard housing, with many rural households struggling with inadequate plumbing and overcrowding.³ As Congress considers ways to address the affordable housing crisis, it must enhance and expand federal rural housing programs.
- **Ensure Tribal communities have access to federal housing resources.** Tribes face some of the nation's most acute housing needs yet often lack the resources necessary to address housing insecurity in their communities. It is critical that Congress provide robust funding for Tribal housing programs, such as those authorized by the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), which empower Tribes to tailor affordable housing development and assistance to meet their local needs.
- **Invest in workforce development initiatives that will train the next generation of residential construction workers.** A nationwide shortage of skilled construction workers is driving up construction costs for developers and making it harder to keep homes priced affordably. To ensure that federal housing supply programs and affordable housing tax incentives have the greatest possible impact, we must invest in workforce training to cultivate the residential construction workforce developers need to build affordable homes and to create good-paying jobs for the thousands of Americans needed to meet this demand.

I look forward to working with you to tackle this housing affordability crisis and lower housing costs. Thank you for your consideration.

Sincerely,


Jacky Rosen
United States Senator

³ <https://ruralhousingcoalition.org/overcoming-barriers-to-affordable-rural-housing/>