

JULIA RATTI
SENATOR



Nevada Senate

SEVENTY-NINTH SESSION

DISTRICT OFFICE:

P.O. Box 4228
Sparks, Nevada 89432
Office: (775) 525-0359
Twitter: @rattijulia

COMMITTEES:

Chair
Revenue and Economic Development

Vice Chair
Health and Human Services

Member
Government Affairs
Natural Resources

LEGISLATIVE BUILDING:

401 S. Carson Street
Carson City, Nevada 89701-4747
Office: (775) 684-1433 or
(775) 684-1400
Fax No.: (775) 684-6522
Email: julia.ratti@sen.state.nv.us
www.leg.state.nv.us

August 15, 2018

The Honorable Dean Heller
United States Senator
324 Hart Senate Office Building
Washington, DC 20510

The Honorable Catherine Cortez Masto
United States Senator
204 Russell Senate Office Building
Washington, DC 20510

The Honorable Dina Titus
United States Representative
2464 Rayburn House Office Building
Washington, DC 20515

The Honorable Mark Amodei
United States Representative
332 Cannon House Office Building
Washington, DC 20515

The Honorable Jacky Rosen
United States Representative
413 Cannon House Office Building
Washington, DC 20515

The Honorable Ruben Kihuen
United States Representative
313 Cannon House Office Building
Washington, DC 20515

Re: Support for Cantwell-Hatch Act (S.548/H.R. 1661)

Dear Senators and Members of Congress:

During the 2017-2018 Legislative Interim, I served as chair of Nevada's Committee to Study Issues Regarding Affordable Housing. This Committee was tasked with examining the need for affordable housing in Nevada and to find methods to increase the availability of affordable housing.

As a result of hearings concerning Nevada's severe shortage of affordable housing, the Committee seeks the assistance of Nevada's Congressional Delegation. Specifically, the Committee requests your support for passage of the bipartisan Affordable Housing Credit Improvement Act of 2017 (S.548/H.R.1661), also known as the Cantwell-Hatch Act, introduced by Senators Maria Cantwell (D Washington) and Orrin G. Hatch (R-Utah).

As you may be aware, an unintended consequence of the recently lowered corporate tax rate has been to make the federal Low-Income Housing Tax Credit (LIHTC) program less productive. The LIHTC program provides income tax credits to developers of housing for low-income households. The goal of the program is to reduce the gap in funds needed to construct or rehabilitate affordable rental housing. Because the LIHTC is the most important tool to pay for the construction of new affordable housing or the recapitalization of existing properties, we are urging the support of the Cantwell-Hatch Act. Some of the ideas in this bill could make a big difference for the program. For example, one proposal would fix the rate at which some affordable housing properties in the LIHTC program generate tax credits, making the program more predictable for developers and investors.

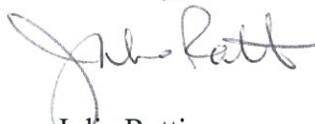
According to Nevada's Housing Division (NHD), Department of Business and Industry, since 1986 the LIHTC program has assisted in the financing, creating, or preserving of 12,923 multi-family housing units in Nevada with a total of over \$112 million in nine percent housing tax credits allocated. Yet many more units are desperately needed across our state. Last year, a total of 10,729 households were on waiting lists for tax credit properties.

At the state level to help address this issue, the Committee voted to draft legislation to create a Nevada affordable housing tax credit program to encourage the development and preservation of low-income residential housing projects statewide. The proposed program is a four-year pilot program, which authorizes up to \$10 million of transferrable tax credits per fiscal year, not to exceed a total of \$40 million, to be administered by NHD.

While our state is experiencing unprecedented growth in the economy and population, it is also experiencing rapidly increasing housing costs resulting in both homeowners and renters being priced out of the market. To increase the supply of affordable housing in Nevada, the Affordable Housing Committee requests your support of the Cantwell-Hatch Act.

Thank you for your consideration in this matter. Please do not hesitate to contact me or committee policy analyst, Diane C. Thornton (telephone: 775/684-6825; email: diane.thornton@lcb.state.nv.us) if you have any questions or need any additional information.

Sincerely,

A handwritten signature in dark ink, appearing to read "Julia Ratti", written in a cursive style.

Julia Ratti
State Senator
Senate District 13