



# Housing Advisory Group



After much political wrangling, the House leadership reached a compromise with Members concerned about the impact the tax extenders/jobs bill would have on the budget deficit. After agreeing to drop an extension of COBRA health insurance subsidies and Medicaid provisions, the House passed the trimmed-down [\*American Jobs and Closing Tax Loopholes Act\*](#) (H.R. 4213) on Friday, May 28<sup>th</sup> by a vote of 215-204.

Included within the legislation was the one-year extension of the Section 1602, 9 percent LIHTC Exchange program. Also included was a two-year extension of the Gulf Opportunity Zone LIHTC placed-in-service date. This provision would extend the PIS date two years (through 2012) for projects allocated Go Zone LIHTCs in 2006, 2007 and 2008.

The legislation also provided for a one-time capitalization of \$1.065 billion for the National Housing Trust Fund (NHTF). These funds will provide for the construction, rehabilitation and preservation of affordable rental housing for very low income households. The funding is comprised of \$1 billion in capital funds and \$65 million in project-based vouchers.

*The American Jobs and Closing Tax Loopholes Act* now awaits action by the Senate, which along with the House is out of session this week for the Memorial Day State/District Work Period. It is unclear how the Senate will react to the changes made by the House, but deep concerns already have been raised by both Senate Republicans and Democrats regarding how to pay for the legislation and the degree to which the bill adds to the budget deficit.

The timing of this debate, although troublesome in regard to the 9 percent exchange extension dragging on further, does coincide nicely with our June 9<sup>th</sup> Housing Advisory Group Legislative Conference in Washington, DC. In addition to our Congressional Staff panel and Industry panel, we are very excited to have Congressman Richie Neal, Chairman of the House Ways and Means Select Revenue Subcommittee, and Carol Galante, Deputy Assistant Secretary for Multifamily Housing at HUD, join us. This is shaping up to be one of our most informative meetings yet and we look forward to seeing many of you next week.

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