

**Joint Economic Committee**  
**Opening Remarks for Hearing “Rebuilding the American Dream: Policy**  
**Approaches to Increasing the Supply of Affordable Housing”**  
**January 17, 2024**

This hearing will come to order.

I would like to welcome everyone to today’s Joint Economic Committee hearing, titled “Rebuilding the American Dream: Policy Approaches to Increasing the Supply of Affordable Housing.”

Today’s hearing will begin with five-minute opening statements from myself, Vice Chairman Schweikert, and each of our four witnesses.

We will then proceed to questions, alternating between parties in the order of Member arrival.

Members are reminded to keep their questions to no more than five minutes.

Now, for opening statements.

There is a serious housing crisis in New Mexico and across the country – impacting people at all income levels, in nearly every community.

Whether they rent or own, and whether they live in rural, suburban, or urban areas, too many Americans cannot securely afford the place they call home.

Broad access to affordable, stable and safe housing helps ensure Americans' economic well-being and social mobility.

But the current housing shortage means the American dream of homeownership is out of reach for too many.

After the housing market collapse in 2008, new housing supply never recovered to keep up with demand. And the pandemic only compounded this crisis.

Exclusionary zoning adds to this problem – placing restrictions on where people can live and the types of housing they can live in, often enmeshed with discriminatory practices that have left a legacy of unequal opportunity.

At the same time, rents have been climbing over the past decade and many lower-income families are being priced out of their current neighborhoods.

These same families are blocked from renting in higher income neighborhoods due to the absence of smaller, more affordable housing options.

The Biden Administration has taken historic steps to keep people in their homes and increase housing production.

They helped reduce the burden of housing costs during the pandemic, increased the supply of quality housing through their Housing Supply Action Plan, and took important steps to protect renters.

The American Rescue Plan's State and Local Fiscal Recovery Funds also helped stimulate affordable housing construction and support housing stability.

But more federal investment is needed to address the growing housing crisis and ensure fair and competitive markets for renters and homeowners.

We need to increase the supply of safe, accessible, and affordable homes.

We need to lower rental housing costs, and expand affordable home ownership so that families can build wealth and live safely in their communities.

The Low-Income Housing Tax Credit is one way that federal and state governments can help finance new building projects with affordable rental units.

But that program is oversubscribed and in need of reform to make sure it reaches those most in need.

The bipartisan Affordable Housing Credit Improvement Act would increase the number of available credits to better meet demand, while changing program rules to make sure that more units are built to serve Tribal communities, rural areas, and other underserved groups.

I am a cosponsor and strong supporter of this bill.

And in June, I introduced the Delivering Essential Protection, Opportunity and Security for Tenants Act, also known as the DEPOSIT Act.

My legislation would help low-income renters overcome the barrier of security deposit payments when moving into new housing.

This legislation has also been introduced in the House.

We can also take note of state and local programs that have produced successful results.

In my home state of New Mexico, local governments are leading efforts to finance affordable housing stock.

This past November, voters in Santa Fe approved a tax on home purchases that are over \$1 million, to increase revenue for the city's Affordable Housing Trust Fund.

And in Las Cruces, voters approved the issuance of a \$6 million general obligation bond to fund its Affordable Housing Trust Fund. This initial investment could help leverage more than \$36 million in funding from state, federal, and private sources to create additional affordable housing units.

These are important steps, but we need to do more at every level of government to meet this crisis head on.



I'm looking forward to hearing more from our witnesses today about how we can replicate policies that work, and help create new approaches that will increase the quantity of available affordable housing and promote fair and competitive markets for both renters and homeowners.

I will now turn to Vice Chairman Schweikert for his opening statement.