

## The Accelerated Supply of Affordable Production [ASAP] Housing Act will turbocharge affordable housing production to address the national affordable housing shortage.

The Accelerated Supply of Affordable Production [ASAP] Housing Act ([H.R. 9856](#)), introduced by Congressman Ritchie Torres (D-15) in partnership with the New York Housing Conference (NYHC) would exempt affordable housing from counting towards federal limits on state volume cap issuance for tax-exempt private activity bonds for ten years. This legislation will help increase the production of new rental housing affordable to low-income households and help preserve existing affordable housing by limiting the exemption to projects with rents affordable to households earning up to 80% of area median income (AMI).

Private activity bonds are vital to financing affordable housing because qualifying rental projects generate as-of-right Low-Income Housing Tax Credits (LIHTC), which provide equity for the development and preservation of affordable housing. The volume cap is a federal limitation on the amount of tax-exempt private activity bonds each state can issue each year based on population. **Volume cap is the biggest financing barrier to increasing production of affordable housing in the U.S.**

According to tax policy experts, 31 [states](#) are high utilizers of volume cap and limited in expanding affordable housing financing. For example, New York uses its volume cap to issue bonds supporting the creation or preservation of about 10,000 units of affordable housing annually through the City and State affordable housing plans. However, many more “shovel ready” projects are waiting in the queue for bond issuance. In NYC alone there are about 750 projects in the pipeline - 300 new construction and 450 preservation projects. **New York Housing Conference estimates that exempting affordable housing from volume cap would at least double production over the next decade.**

The legislation can also offer new resources to preserve public and other HUD-assisted housing with broader access to LIHTC, additional financing can support capital repairs and sustainability upgrades.

Congress has previously passed several exceptions to state volume cap for activities that contribute to the public good ranging from transportation infrastructure to schools to green buildings. These exceptions have allowed localities to build critical infrastructure without taking away tax exempt bonds for other purposes and preserve state resources to address other needs. **The ASAP Housing Act recognizes affordable housing as a public good!**

**The ASAP Housing Act would be the most consequential federal intervention to addressing the nation’s affordable housing shortage in decades.**

### ASAP Housing Act will...

- Urgently address supply shortage with 10-year exemption
- Turbocharge affordable housing new construction
- Preserve public & HUD assisted housing
- Serve low-income renters earning below 80% AMI
- Nearly 2 out of 3 states will benefit