



December 16, 2022

The Honorable Joseph R. Biden, Jr.
President
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear President Biden:

The undersigned national associations represent for-profit and non-profit owners, operators, developers, lenders, and property managers involved in the provision of rental housing, both affordable and conventional. We write to you as the Administration considers federal landlord and tenant requirements and to offer our industries' perspectives.

First, thank you for your leadership in the housing space—acknowledging the acute need for new housing supply and your continued efforts to improve housing affordability for our nation's renters and their families. As well, we are grateful for the Administration's commitment to working with stakeholders on all sides of the housing policy debate and the opportunities for dialogue with White House and agency officials about housing-related concerns, including resident-centered property management practices.

As representatives of the housing industry, we absolutely appreciate the importance of housing choice and access to quality, affordable housing, as we work to provide decent housing for residents, who are our customers. However, inherent in ensuring this stability for our nation's renters, is maintaining the current and future viability of the broader rental housing industry. As such, we urge the Administration refrain from recommending new or expanded federal obligations for private rental housing providers and instead focus on leveraging federal resources to bolster new housing supply, improve access to existing housing benefits for those renters in need and provide additional funding for federal housing support.

The relationship between housing providers and their residents, the community and the broader housing market is governed by layers of statutes, case law, regulations, and

private contractual agreements – all providing for specific protections and responsibilities. This includes extensive renter protections in building code, landlord and tenant, fair housing, eviction, consumer reporting and debt collection laws. Fundamentally, lease agreements outline the rights and responsibilities between residents and housing providers; leases are legally binding on all parties and enforced by state and local courts. Layering additional federal regulation on an already overly regulated industry will only further exacerbate housing affordability challenges, making it increasingly difficult for renters to navigate.

The Administration has referenced practices and requirements drawn from other housing sectors that could serve as a foundation for wider, resident-centered management practices under discussion. However, we encourage you to consider the diversity and unique needs of private rental housing providers on a national scale. The rental housing market is highly diverse. Senior housing, for example, is distinct from military housing which is different than student housing, and manufactured housing. Federally assisted housing, including urban and rural programs, has many if not more tenant protections than have been discussed. Rental markets vary widely across the country, which is why local solutions are most appropriate to be tailored to those individual markets. The courts have addressed and limited the federal government’s role in regulating non-federal rental housing and left this matter to the states and localities.

Although, well-intentioned, additional federal resident protection requirements would contribute to the already complex layers of federal, state, and local requirements that housing providers must currently comply with—negatively impacting housing outcomes and undermining our ability to provide quality service to our residents. State laws already protect renters’ rights to be notified of a rent increase or a change in the lease contract that may result from the sale, closure or foreclosure of their apartment community, and the right to cure lease violations prior to an eviction, as examples; some housing providers are subject to additional renter protections imposed at the local level as well.

Moreover, the proposed federal landlord and tenant requirements can circumvent or, in some cases, conflict with the lease agreement which predominantly governs rights and the responsibilities that both parties agree to during the lease term, in accordance with contract law. We are concerned that if new federal requirements are imposed, it will further discourage the use of federal resources, and cause disruption in the capital markets impacting the federal government’s ability to attain its housing goals. This is especially problematic now when we are facing increasing interest rates and general economic uncertainty.

We ask you to reconsider implementing added federal landlord and tenant requirements. Instead, we would like to work with you and federal policymakers on efforts to address the nation’s housing affordability challenges and keep renters stably housed, like the Housing Supply Action Plan.

The [White House rightly acknowledged](#) at the release of the Housing Supply Action Plan that “the best thing we can do to ease the burden of housing costs is to boost the supply of quality housing.” We wholeheartedly agree and stand ready to work with the Administration and Congress on strategies to achieve this goal. Implementing added federal landlord and tenant requirements, specifically if attached to federally-backed properties, will further discourage the use of federal resources, impacting the federal government’s ability to attain said housing goals. We also think it important to understand the interplay between any new federal requirements and existing state and local housing law. These proposals have the potential to fundamentally shift the role of the federal government in the private housing sector.

Housing stability, opportunity and affordability will expand through, among other things, execution of the Housing Supply Action Plan and robust funding of existing federal housing programs and reform of several key programs that would enable our nation’s renters to secure safe, stable housing that is affordable. In addition, strong and vocal support for common-sense and bipartisan funding and reform of many existing federal programs and resources is critical. Below we outline key policy opportunities that would benefit from your support and meet your ultimate goal of protecting renters and improving housing outcomes for millions of Americans.

Expansion of Low-Income Housing Tax Credit

The most effective way to ensure that all Americans have a safe and decent place to live at a price at which they can afford is to address our nation’s housing supply shortfall. Accordingly, we urge the Administration and Congress to expand the Low-Income Housing Tax Credit as it wraps up the 117th Congress.

Specifically, we call on the Administration and Congress to:

- Increase the Housing Credit by 50 percent or at a minimum to reinstate the 12.5 percent increase in credit authority available in 2018-2021 as adjusted for inflation.
- Enhance the use of existing private activity bond authority by reducing the bond financing threshold to maximize 4 percent Low-Income Housing Tax Credits to 25 percent from 50 percent.

These provisions, which have bipartisan support and would spur affordable housing production and help address affordability, should be enacted before Congress adjourns.

Critical Need for Housing Choice Voucher Program Reform and Increased Funding

The Section 8 Housing Choice Voucher Program has been the cornerstone of federal housing policy for many years and provides rental assistance to more than two million

families. Despite its relative success, the Housing Choice Voucher Program has enormous untapped potential to help address our nation's affordable housing needs. Unfortunately, a complex funding system coupled with duplicative and inconsistently applied requirements discourage private housing providers, particularly professional ownership entities from accepting vouchers.

Several practical but impactful program changes would go a long way to encourage the participation of additional providers, particularly in low poverty communities. Our groups, once again, call on policy makers to approve or explore the opportunity to incorporate provisions of the bipartisan and bicameral Choice in Affordable Housing Act into a larger package. This bill, introduced by Housing, Community Development, and Insurance Subcommittee Chairman Emmanuel Cleaver II (D-MO) and Congressman John Katko (R-NY) as well as Senator Chris Coons (D-DE) and Senator Kevin Cramer (R-ND), aims to implement common-sense reforms in future housing policy initiatives. Increasing housing supply is also critical to improving outcomes for renters in this program.

The legislation empowers Public Housing Authorities (PHAs) to offer incentive payments for housing providers that operate in areas of opportunity; creates security deposit assistance to cover repairs and damages and to help participants better manage their risk; enables PHAs to hire "landlord liaisons" to improve participants' experience with the program and finally, would importantly streamline the costly and time-consuming property inspection process.

Sustaining Funding for Federal Housing Support & Affordability Programs

Alongside inadequate funding and regulatory barriers in the Section 8 HCV program, federal funding for the other primary housing programs serving low-income households has been virtually flat or declining. This has translated into waiting lists for support that can last years, pushes too many Americans into substandard housing that only exacerbates housing and racial inequities, and harms the economic potential of individuals and their overall communities.

For decades, our groups have advocated for increased funding for multiple critical programs that focus on housing affordability, (in addition to the Section 8 HCV program), such as Project Based Rental Assistance (PBRA), Rental Assistance Demonstration (RAD), Homelessness Programs, HOME, and Community Development Block Grants (CDGB), the Housing Trust Fund, FHA Multifamily Programs, Rural Housing Programs, and others.

In Closing

We are committed to working with the Administration on the shared goal of addressing the nation's housing affordability needs. However, we ask you to reconsider implementing added federal landlord and tenant requirements as ultimately, they will hurt renters currently housed and those seeking housing in this tight market. Instead, we would like to work with you and federal policymakers on efforts like the White House Housing Supply Action Plan and others to address the nation's housing challenges and keep renters stably housed.

Thank you for your consideration of our views.

Sincerely,

CCIM Institute
Council for Affordable and Rural Housing
Institute of Real Estate Management
Manufactured Housing Institute
Mortgage Bankers Association
National Affordable Housing Management Association
National Apartment Association
National Association of Home Builders
National Association of REALTORS®
National Leased Housing Association
National Multifamily Housing Council

cc: The Honorable Marcia Fudge, Secretary, U.S. Department of Housing and Urban Development
The Honorable Merrick Garland, Secretary, U.S. Department of Justice
The Honorable Janet L. Yellen, Secretary, U.S. Department of the Treasury
Mr. Rohit Chopra, Director, Consumer Financial Protection Bureau
Mr. Brian Deese, Director, National Economic Council White House
Ms. Susan Rice, Director, Domestic Policy Council White House
The Honorable Sandra Thompson, Director, Federal Housing Finance Agency
Mr. Gene Sperling, American Rescue Plan Coordinator & Senior Advisor to the President
The Honorable Sherrod Brown, Chairman, U.S. Senate Committee on Banking, Housing Urban Affairs
The Honorable Patrick J. Toomey, Ranking Member, U.S. Senate Committee on Banking, Housing and Urban Affairs
The Honorable Maxine Waters, Chairwoman, U.S. House Committee on Financial Services
The Honorable Patrick McHenry, Ranking Member, U.S. House Committee on Financial Services