

118TH CONGRESS  
2D SESSION

# S. 3914

To increase the supply of, and lower rents for, affordable housing and to assess calculations of area median income for purposes of Federal low-income housing assistance, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MARCH 12, 2024

Mrs. GILLIBRAND introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To increase the supply of, and lower rents for, affordable housing and to assess calculations of area median income for purposes of Federal low-income housing assistance, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Affordable Housing  
5       and Area Median Income Fairness Act of 2024”.

6       **SEC. 2. DEFINITIONS.**

7       In this Act:

1           (1) AREA MEDIAN INCOME.—The term “area  
2 median income” means median income for an area,  
3 as such term is used in section 3(b) of the United  
4 States Housing Act of 1937 (42 U.S.C. 1437a(b)),  
5 median family income, and any other substantively  
6 similar metric that the Secretary uses to refer to the  
7 median income level for a given area or jurisdiction  
8 for purposes of any program administered by the  
9 Secretary.

10           (2) HIGH HOUSING COST ADJUSTMENT.—The  
11 term “high housing cost adjustment” means an ad-  
12 justment for high housing costs or high construction  
13 costs, or any substantively similar adjustment that  
14 the Secretary may use to increase income limits for  
15 areas where the cost of housing is abnormally high  
16 compared to the median income for such area, for  
17 purposes of any program administered by the Sec-  
18 retary.

19           (3) SECRETARY.—The term “Secretary” means  
20 the Secretary of Housing and Urban Development.

21 **SEC. 3. URGENT SUPPORT FOR AFFORDABLE HOUSING IN-**  
22 **FRASTRUCTURE.**

23           (a) HOME INVESTMENT PARTNERSHIPS PROGRAM.—

24           (1) AUTHORIZATION OF APPROPRIATIONS.—

25           There is authorized to be appropriated to carry out

1 title II of the Cranston-Gonzalez National Afford-  
2 able Housing Act (42 U.S.C. 1721 et seq.)  
3 \$5,000,000,000 for each of fiscal years 2025  
4 through 2034.

5 (2) LIMITATION.—Any amounts appropriated  
6 pursuant to paragraph (1) shall be used only for as-  
7 sistance for any area within a jurisdiction for which  
8 the Secretary has applied a high housing cost ad-  
9 justment.

10 (b) COMMUNITY DEVELOPMENT BLOCK GRANTS.—

11 (1) AUTHORIZATION OF APPROPRIATIONS.—

12 There is authorized to be appropriated for commu-  
13 nity development block grant assistance under sec-  
14 tion 106 of the Housing and Community Develop-  
15 ment Act of 1974 (42 U.S.C. 5306) \$5,000,000,000  
16 for each of fiscal years 2025 through 2034.

17 (2) LIMITATION.—Any amounts appropriated  
18 pursuant to paragraph (1) shall be used only for as-  
19 sistance for any area within a jurisdiction for which  
20 the Secretary has applied a high housing cost ad-  
21 justment.

22 (c) HOUSING TRUST FUND.—

23 (1) AUTHORIZATION OF APPROPRIATIONS.—

24 There is authorized to be appropriated to the Hous-  
25 ing Trust Fund established under section 1338(a) of

1 the Federal Housing Enterprises Financial Safety  
2 and Soundness Act of 1992 (12 U.S.C. 4568(a))  
3 \$5,000,000,000 for each of fiscal years 2025  
4 through 2034.

5 (2) LIMITATION.—Any amounts appropriated  
6 pursuant to paragraph (1) shall be used only for as-  
7 sistance for any area within a jurisdiction for which  
8 the Secretary has applied a high housing cost ad-  
9 justment.

10 **SEC. 4. ASSESSMENT REGARDING OPTIMIZING USE OF**  
11 **AREA MEDIAN INCOME TO SUPPORT AFFORD-**  
12 **ABLE HOUSING IN URBAN AREAS.**

13 (a) ASSESSMENT OF ALTERNATIVE CALCULATION  
14 METHODS.—Not later than 180 days after the date of en-  
15 actment of this Act, the Secretary shall commence an as-  
16 sessment of alternative methods for calculating area me-  
17 dian income, and the use of alternative metrics, for pro-  
18 grams administered by the Secretary that would make  
19 housing more affordable for low-income families residing  
20 in urban areas across the United States, which shall in-  
21 clude analysis of the topics identified in subsection (b).

22 (b) REPORT.—Not later than 2 years after the date  
23 of enactment of this Act, the Secretary shall submit to  
24 the Committee on Banking, Housing, and Urban Affairs  
25 of the Senate and the Committee on Financial Services

1 of the House of Representatives, and make publicly avail-  
2 able, a report setting forth the results of the assessment  
3 conducted pursuant to subsection (a), which shall in-  
4 clude—

5           (1) a review and summarization of significant  
6 findings and recommendations from any related pre-  
7 vious reports regarding area median income;

8           (2) an assessment of the extent and impacts of  
9 the affordable housing crisis in urban areas across  
10 the United States, particularly within jurisdictions  
11 for which the Secretary has applied a high housing  
12 cost adjustment, including a comparison of rent bur-  
13 dens for very low-income households in jurisdictions  
14 with and without high housing cost adjustments;

15           (3) an analysis and assessment of the effects  
16 that high housing cost adjustments have had on in-  
17 come limits and rent prices in jurisdictions for which  
18 the Secretary has applied such an adjustment, in-  
19 cluding any effects on maximum rents allowed under  
20 sections 42 and 142 of the Internal Revenue Code  
21 of 1986 for tax-subsidized units;

22           (4) an updated assessment of the potential im-  
23 pacts to affordable housing, particularly on income  
24 limits and rent prices, of calculating area median in-

1 come on a ZIP Code-level basis and using other lo-  
2 calized methodologies;

3 (5) a process through which State housing au-  
4 thorities may designate area median income jurisdic-  
5 tions within that State;

6 (6) an assessment of alternative metrics to area  
7 median income for the purposes of setting income  
8 levels and related thresholds for affordable housing  
9 programs administered by the Secretary;

10 (7) recommendations for how the Secretary  
11 could reform or eliminate use of area median income  
12 for the purposes of making housing more affordable  
13 for low-income and middle class families in urban  
14 areas;

15 (8) any further recommendations for how the  
16 Secretary could use existing authorities to make  
17 housing more affordable for low-income and middle  
18 class families in urban areas, particularly for such  
19 families for which the Secretary has applied a high  
20 housing cost adjustment; and

21 (9) an assessment of the impacts that West-  
22 chester and Rockland Counties in New York State  
23 have on the City of New York's area median income,  
24 related metrics, and affordable housing supply, in-  
25 cluding on income limits and maximum rent prices

1 for affordable housing units within the jurisdiction  
2 of the City of New York.

3 (c) METHODOLOGY.—Not later than 45 days after  
4 the date of enactment of this Act, the Secretary shall sub-  
5 mit to the Committee on Banking, Housing, and Urban  
6 Affairs of the Senate and the Committee on Financial  
7 Services of the House of Representatives a report describ-  
8 ing the methodology that will be used to conduct the as-  
9 sessment under this section.

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