

HOUSING FOR HOMELESS STUDENTS ACT OF 2015

Summary

Original Sponsors: Sens. Al Franken (D-MN), Rob Portman (R-OH), Patty Murray (D-WA), Susan Collins (R-ME), and Angus King (I-ME)

Too often, youth and veterans who have experienced homelessness must choose between stable housing and a full-time education. Because of a limitation in the eligibility criteria for the Low Income Housing Tax Credit (LIHTC) program, homeless or previously homeless individuals who would otherwise qualify to live in low-income housing lose eligibility for LIHTC rental units if they choose to attend school full-time. **The Housing for Homeless Students Act of 2015 will ensure that youth and veterans who have experienced homelessness have access to affordable housing while they pursue an education.**

The problem

The Low Income Housing Tax Credit Program provides a reduction in tax liability for developers that build or rehabilitate affordable rental housing units. LIHTC has been used successfully to build properties intended to house individuals and families who experience homelessness. However, the current law does not allow tenants, including homeless and recently homeless individuals, to be full-time students.

The intent of this “student rule” is to prohibit LIHTC funds from being used to construct dormitories and to prevent college students, who often have *temporarily* low incomes, from utilizing resources meant for individuals and families with more serious and longer-term housing needs. However, the student rule provides no exception for homeless and recently homeless youth or veterans. Because of this, students may lose access to LIHTC housing units if they go to school full-time. Alternatively, if they choose to attend school part-time in order to keep their LIHTC housing eligibility, these students may lose access to grants, loans, and scholarships that are limited to full-time students. **In effect, the current rule holds back truly low-income individuals trying to achieve an education.**

Housing for Homeless Students Act of 2015

This legislation will exempt individuals from the student rule if they were homeless children or youth within seven years of moving into the LIHTC unit. (The bill uses the definition of “homeless children and youth” in the McKinney-Vento Homeless Assistance Act.) The bill also includes veterans who have been homeless at any point within five years of moving into the LIHTC unit. **These changes to the student rule will allow full-time students who experience or have recently experienced homelessness to become eligible (or retain eligibility) for affordable housing.**

National endorsements: Affordable Housing Tax Credit Coalition, First Focus Campaign for Children, Institute of Real Estate Management, National Affordable Housing Management Association, National Alliance to End Homelessness, National Association for the Education of Homeless Children and Youth, National Association of Realtors, National Coalition for Homeless Veterans, National Coalition for the Homeless, National Fair Housing Alliance, National Law Center on Homelessness and Poverty, National Leased Housing Association, National Network for Youth, Stewards of Affordable Housing for the Future, True Colors Fund