**Congressman Emanuel Cleaver, II (Missouri – 05)**
**Testimony before the House Committee on Ways and Means**
**Hearing on: "Member Day Hearing on Matters Within the**
**Committee's Tax Jurisdiction"**
**January 22, 2025**

Chairman Smith, Ranking Member Neal, and members of the committee, thank you for the opportunity to testify today.

I'm pleased to be testifying before a committee headed by a friend and fellow member of the Missouri Delegation, Chairman Smith, who I have a great appreciation for. For those who don't know, Chairman Smith represents a large portion of Southeast Missouri.

I represent a district that includes Kansas City, MO, the largest municipality in the State and home of the Super Bowl Champion Kansas City Chiefs.

Whether a rural area of the state, or a suburban or urban area, our delegation has found ways to work toward common interests over the years. Americans generally share many of the same dreams and desires regardless of where they are from.

I also proudly serve as the Ranking Member of the Financial Services Subcommittee on Housing and Insurance.

Access to affordable housing, housing that costs a family no more than 30 percent of household income, is central to a good quality of life for an American family.

Our committees share jurisdiction in expanding access to affordable housing for American families.

The United States is not building enough housing to meet demand and high housing prices have pushed millions of households away from homeownership, increased cost burdens on households, and limited the ability of employers to attract workers – especially in rural areas.

Homeownership is important because it is the primary way that Americans accumulate wealth and achieve financial stability.

We all want the next generations to have the ability to achieve the American Dream of owning a home.

And whether a homeowner or renter, the monthly housing payment is the single largest expense for most American families. Families who cannot afford housing restrict food, healthcare, or other family necessities, or increasingly end up homeless.

According to HUD, the United States saw an 18.1% increase in homelessness in 2024. More than 770,000 people were experiencing homelessness on a single given night in the United States last year, many the first time.

Housing supply is influenced by inflation, zoning, rules and regulations, labor challenges, material costs, and credit availability, among other factors.

Importantly, housing is the single largest category – over a third – of the consumer price index used to track inflation and addressing inflation means addressing housing.

But addressing only one factor will not be sufficient. Lowering the costs requires the nation to overcome multiple factors, across multiple committees, to build millions more homes.

Last Congress, myself, the current Chairman of the Housing and Insurance Subcommittee, and other members of the Subcommittee advanced the *Yes in My Backyard Act*, a bill that requires localities to examine how unnecessary regulations are increasing housing costs.

Addressing local regulations also has the added benefit of saving the federal government and taxpayers money.

Many of the largest sources of assistance for developing affordable housing are under this committee's jurisdiction, such as the Low-Income Housing Tax Credit, which is the most effective affordable rental housing program in history.

We have many projects in Kansas City, MO – such as Parade Park Homes – which have attracted significant private capital and federal investment and need limited tax credits to move forward.

I urge this committee to continue its leadership in examining bipartisan legislation such as Congressman LaHood's *Affordable Housing Credit Improvement Act,* Congressman Kelly's *Neighborhood Homes Investment Act*.

There are great existing ideas for how we can all move forward.

As we continue to work on the Subcommittee on Housing and Insurance, I would appreciate the opportunity to collaborate with members of this Committee in pursuit of shared goals.

Thank you.