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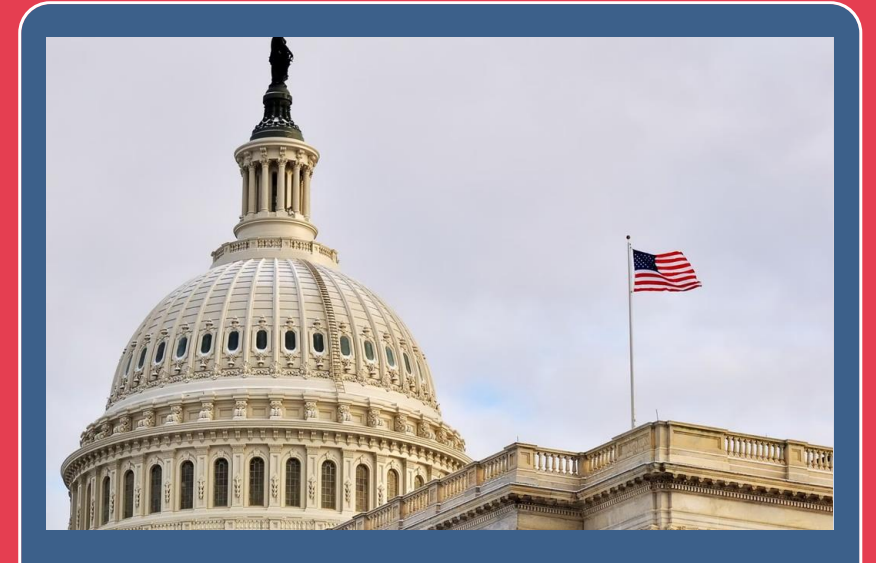
2024 Elections and Outlook for Housing

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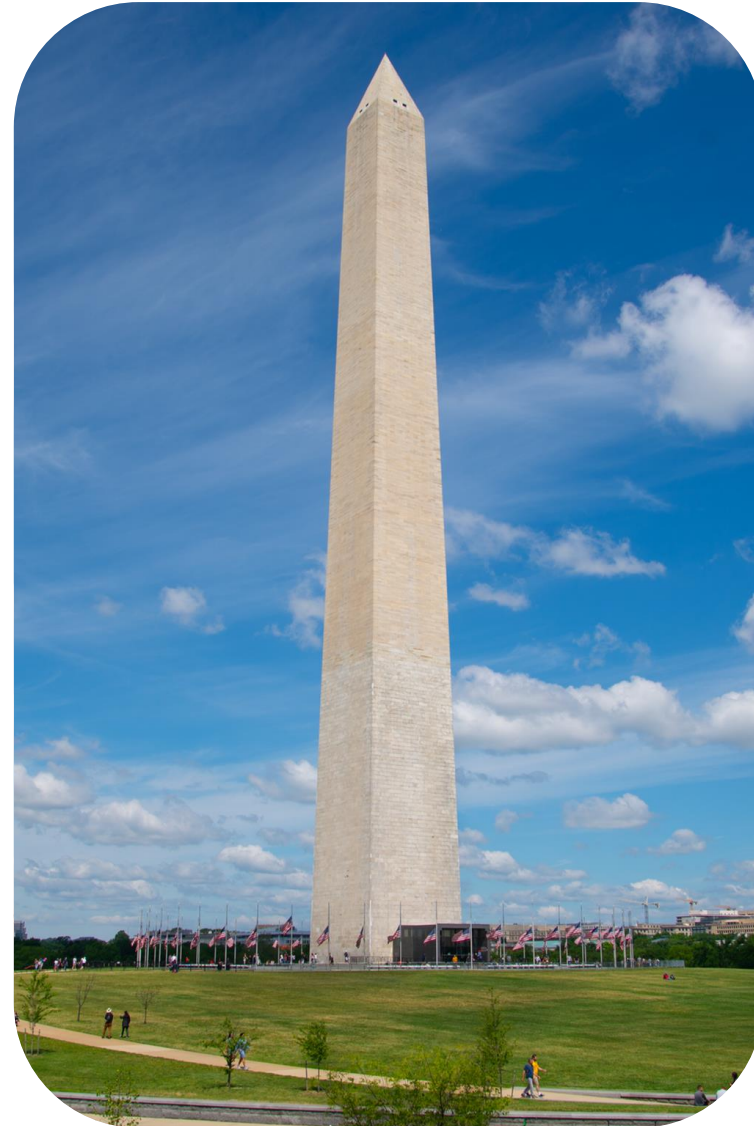
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Overview

- Housing Today
- Harris' Housing Plan
- Trump's Housing Plan
- The 2024 Election
- Dem v GOP Control
- Divided Government



Housing has its moment.



Housing affordability has taken center stage during the 2024 presidential election.

Vice President Kamala Harris and Senator JD Vance both highlighted the issue during their convention acceptance speeches.

Harris' Housing Plan

Harris has laid out an ambitious plan building off the Biden administration's Housing Supply Plan:

- Expansion of the Low-Income Housing Tax Credit
- First-ever tax incentive for building starter homes
- A new federal fund to spur innovative housing construction
- \$25,000 down payment assistance for first-time homebuyers, with more generous support for first-generation homebuyers

Harris has also called for restrictions on institutional investors purchasing single-family homes for rent.

The Harris campaign estimates implementation of her plan would lead to the construction of 3 million new housing units during her term.



Trump's Housing Approach

Trump is expected to focus on housing finance reform, deregulation, and targeted tax breaks:

- Housing finance reform is seen as unfinished business from Trump's first term. Treasury and FHFA are likely to renew their push to end the conservatorship of Fannie Mae and Freddie Mac.
- Republicans also view high interest rates as a principal driver of housing affordability. They will seek to curb federal spending so the Federal Reserve can lower interest rates.
- Trump's White House Council on Eliminating Barriers to Affordable Housing Development issued a report in January 2021, which could serve as a blueprint for deregulation measures during a second Trump term.
- The GOP Platform calls for tax incentives to support first-time homebuyers and opening limited portions of federal lands to allow for new home construction.
- Trump and Vance have both linked immigration to the housing shortage—arguing that the influx of migrants increases demand for a limited supply of homes.
- Sen. Vance has been one of the very few Republican critics of investor real estate purchases, echoing some of the same themes as Harris



The 2024 Election



White House

Since President Biden dropped out, polls have shown a tight race.



Senate

The map is heavily skewed toward the GOP.



House

The House remains a pure toss-up.

The 2024 election is unique—the White House, Senate, and House are all literally up for grabs

The White House

- The Real Clear Politics polling average has Harris up 1.8 points—well within the margin of error.
- The battleground states show a similarly close race:
 - PA: tied
 - WI: Harris up 1.4
 - MI: Harris up 1.1
 - GA: tied
 - AZ: Trump up 1.0
 - NC: Trump up 0.7
 - NV: Harris up 0.6
- The Electoral College has Trump at 219 votes, Harris at 208 votes, with 111 up for grabs.



The Senate

- Republicans are defending just 11 seats in safe states like: Indiana, Missouri, Mississippi, North Dakota, Nebraska (2 races), Tennessee, Utah, and Wyoming. Only Texas and Florida are somewhat competitive—but Ted Cruz and Rick Scott are still considered “likely” to win by the Cook Political Report.
- Democrats are defending 23 seats, including in West Virginia, Montana, and Ohio —three solidly Republican states.
- West Virginia is guaranteed to flip with Sen. Manchin’s retirement—that puts Republicans at 50 seats. One more win would give Republicans the majority regardless of the outcome of the presidential election.
- In Montana, Sen. Tester has consistently trailed in the polls to challenger Tim Sheehy. The most recent poll has Sheehy up 51-45.
- Democrats are also defending competitive seats in Arizona, Michigan, Pennsylvania, Wisconsin, Maryland, and Nevada—but have consistently led in polling.

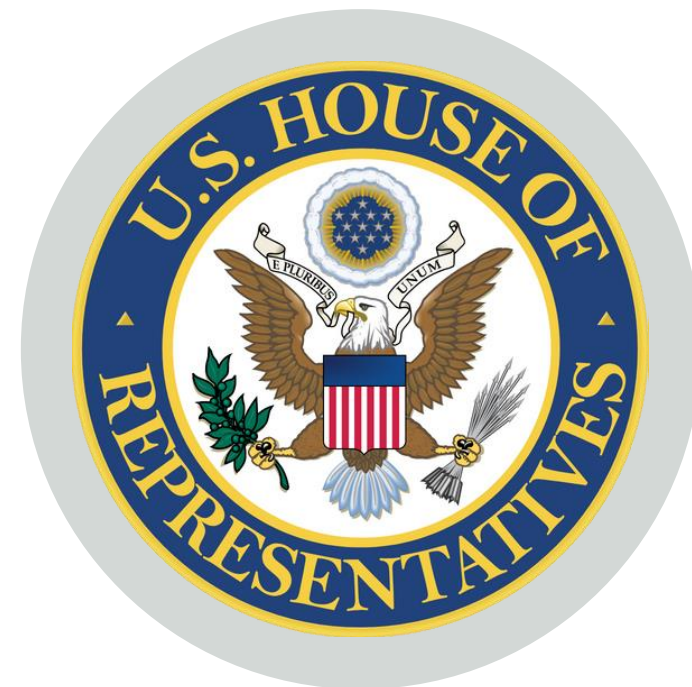
The likeliest outcome right now? A 51-49 Republican Senate.



The House of Representatives

- Republicans have a narrow majority: 220 seats to 211 (there are 4 vacancies).
- Democrats only need to pick up 4 seats to flip the House after just 2 years in the minority.
- The playing field is limited: the Cook Political Report rates just 24 seats as toss-ups—13 Republican and 11 Democratic. Many of these races are not in battleground states—they are in California, New Jersey, New York, Oregon, Colorado, Washington, and Alaska.

The likeliest outcome right now? A narrow Democratic majority.



Divided Government is Likely

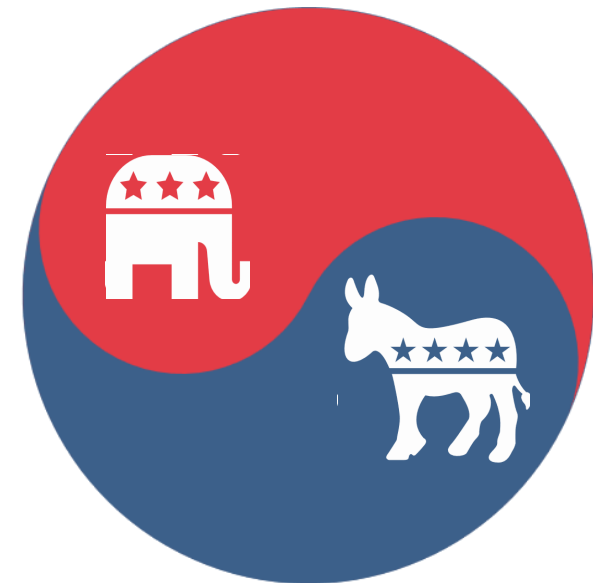
It's not impossible for Democrats or Republicans to hit the trifecta—but there's a higher probability of split control.

The last time a first-term Republican president was elected with a Democratic Congress?

George H.W. Bush in 1988 (36 years ago)

The last time a first-term Democratic president was elected with a Republican Congress?

Grover Cleveland in 1884 (140 years ago)



Democratic Control

If Harris wins, and has Democratic majorities in the Senate and House, Democrats would be eager to address housing issues, which were left on the cutting room floor when the Inflation Reduction Act was finalized.

The main tension for Democrats would be between President Harris, who has laid out a plan focused primarily on expanding housing supply, and Financial Services Chair Maxine Waters, who favors more funding for demand-side HUD programs (Section 8, public housing, down payment assistance) and is skeptical of providing additional subsidies for developers.



Republican Control



If Trump wins, and has Republican majorities in the Senate and House, Republicans will focus on using the reconciliation process to extend the expiring provisions of the Tax Cuts and Jobs Act of 2017. This would likely include housing-related tax credits such as the Low-Income Housing Tax Credit, the mortgage interest deduction, and mortgage insurance deductibility.

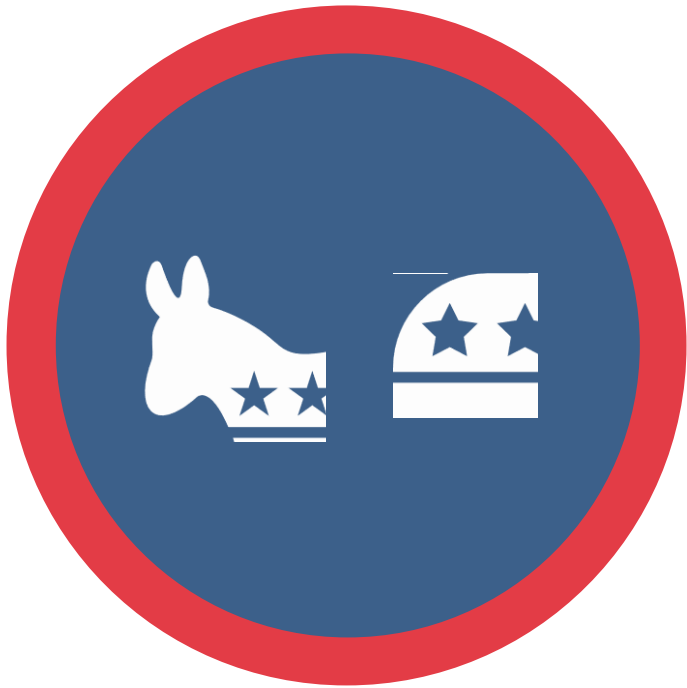
Other Republican housing initiatives would likely be regulatory—at FHFA and the CFPB.

Divided Government

Divided government would necessitate horse-trading as both parties seek to reopen the tax code to push their priorities. On the table would be:

- Low-income housing tax credit
- Neighborhood Homes tax credit
- First-time homebuyers tax credit / down payment assistance
- Mortgage insurance deductibility

Proposals to increase spending on HUD programs would likely be rejected in favor of low- or no-cost proposals (ex. YIMBY Act, mobility vouchers).



**BPC Action
Supported Housing
Bills in the
118th Congress**

The Affordable Housing Credit Improvement Act

- [H.R. 3238](#) is led in the House by Reps. Darin LaHood (R-IL), Suzan DelBene (D-WA), Brad Wenstrup (R-OH), Don Beyer (D-VA), Claudia Tenney (R-NY), and Jimmy Panetta (D-CA)
- [S. 1557](#) is led in the Senate by Sens. Todd Young (R-IN), Maria Cantwell (D-WA), Ron Wyden (D-OR), and Marsha Blackburn (R-TN)
- Expands and strengthens the Low-Income Housing Tax Credit, by increasing the amount of credits allocated to each state and increasing the number of affordable housing projects that can be built using private activity bonds.

The Neighborhood Homes Investment Act

- [H.R. 3940](#) is led in the House by Reps. Brian Higgins (D-NY) and Mike Kelly (R-PA)
- [S. 657](#) is led in the Senate by Sens. Ben Cardin (D-MD), Todd Young (R-IN), Ron Wyden (D-OR), Jerry Moran (R-KS), and Sherrod Brown (D-OH)
- Establishes a tax credit to support the rehabilitation and new construction of single-family homes in distressed communities.

The Family Stability and Opportunity Vouchers Act

- [H.R. 3776](#) is led in the House by Reps. Joe Neguse (D-CO) and Brian Fitzpatrick (R-PA)
- [S. 1257](#) is led in the Senate by Sens. Chris Van Hollen (D-MD) and Todd Young (R-IN)
- Authorizes a new type of housing choice voucher designed to help families with young children, provided those families are homeless or unstably housed, at risk of displacement, or living in an area of concentrated poverty.

The Choice in Affordable Housing Act

- [H.R. 4606](#) is led in the House by Reps. Emanuel Cleaver, II (D-MO) and Lori Chavez-DeRemer (R-OR)
- [S. 32](#) is led in the Senate by Sens. Christopher Coons (D-DE), Kevin Cramer (R-ND), Raphael Warnock (D-GA), Tina Smith (D-MN), and Jerry Moran (R-KS)
- Authorizes programs and grants to incentivize landlord participation in HUD's Housing Choice Voucher program, particularly in low-poverty areas.

The Yes in My Backyard (YIMBY) Act

- [H.R. 3507](#) is led in the House by Reps. Derek Kilmer (D-WA) and Mike Flood (R-NE)
- [S. 1688](#) is led in the Senate by Sens. Todd Young (R-IN) and Brian Schatz (D-HI)
- Requires Community Development Block Grant program recipients to submit information regarding their implementation of certain land-use policies, such as policies for expanding high-density single-family and multifamily zoning.

Additional Resources

- [BPC Action's American Housing Act Legislative Brief](#)
- [BPC Action Supported Housing Bills in the 118th Congress](#)
- [J. Ronald Terwilliger Center for Housing Policy](#)

Thank you!



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