



28 restrictions on the low-income housing tax credit that imposed a limit based on each state's  
29 population to be equal to \$1.25 per capita per calendar year, but failed to include an automatic  
30 inflationary multiplier to ensure that the purchasing power of this resource did not become diluted;

31 WHEREAS, since 1987 the effects of annual inflation have diluted the purchasing power  
32 of Utah's tax-exempt private activity bonding cap and the low-income housing tax credits by  
33 50.2%, thereby reducing the real purchasing value of Utah's share of this bonding resource from  
34 \$150,000,000 in 1987 to only \$74,000,000 and reducing the real purchasing value of Utah's share  
35 of annual per capita amounts of the low-income housing tax credit resource from \$1.25 per capita  
36 in 1987 to \$0.62 per capita in 1999;

37 WHEREAS, losing \$75,300,000 in the real value of tax-exempt private activity bonding  
38 resource along with \$0.63 of annual per capita credits from the low-income housing tax credit  
39 resource has been devastating to the ability of this state and the nation to provide adequate  
40 affordable housing opportunities to its lower income constituents by reducing nearly in half the  
41 number of single-family housing units and multifamily housing units available and affordable to  
42 the ever-increasing number of lower-income, first-time home buyers and renters in Utah and  
43 caused many of these families to remain in substandard housing; and

44 WHEREAS, if the state and its agencies and political subdivisions continue to be unable  
45 to provide adequate levels of tax-exempt private activity bond financing and low-income housing  
46 tax credit financing for these purposes, the health, safety, and welfare of the citizens of the state  
47 will be further negatively impacted:

48 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the  
49 Governor concurring therein, urge the United States Congress to immediately increase the  
50 tax-exempt private activity volume cap and the allocation of low-income housing tax credits  
51 available to Utah to levels that would fully restore the tax-exempt private activity bond volume cap  
52 purchasing power and the low-income housing tax credit purchasing power of the states to levels  
53 that would offset the diluted effects of inflation since 1987, and to index increases for these  
54 resources to inflation in future years.

55 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the leadership of  
56 the majority and minority parties of the United States Congress and the members of Utah's  
57 congressional delegation.

**Legislative Review Note**  
**as of 12-28-99 9:07 AM**

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**