

Statement of Representative Carolyn Maloney in Support of Amendment to
Neighborhood Stabilization Program Termination Act
March 16, 2011

Mr/Madam Speaker, I rise in support of my amendment to the Neighborhood Stabilization Program Termination Act which will quantify the number of vacant homes across the country and which adds findings to the bill listing these numbers in every state.

The NSP Program is one of four housing programs that my colleagues on the other side of the aisle are attempting to destroy.

Federal Reserve Chairman Bernanke has said that we are in a fragile recovery and that our housing market still remains weak. He stated that “the overhang of vacant and foreclosed houses is still weighing heavily on prices of new and existing homes, and sales and construction of new single-family homes remain depressed.”

Other economists have testified that housing is as much as 25% of our economy. So it is critical that we do what we can to stabilize the housing market. Foreclosed properties lead to volatile housing prices, blight, and community deterioration.

In New York, the Neighborhood Stabilization Program has helped rehab over 500 units and convert them to affordable rental housing through 3 rounds of funding.

This was a lifesaving program to the 500 families that now live in these homes.

Funding has also been used to assist multifamily buildings in distress and has provided long term affordability for renters. This is critical to my constituents in NYC where finding affordable rental housing is an enormous challenge.

My amendment points out why the program is so desperately needed by listing out through findings the number of vacant homes that could be eligible for funding.

For example, in Chairman Bachus’s state of Alabama, there are 13, 369 homes that have been vacant for 90 or more days and would not be eligible for funding because we are voting to terminate this program.

In the state of California where my colleague Mr. Miller is from, there are 92,186 homes that have been vacant for 90 or more days.

The amendment clarifies that by terminating the program vacant homes across the country can not benefit from NSP funds that could help acquire, demolish in some cases, rehabilitate in some cases, and redevelop in other cases.

The Neighborhood Stabilization Program accomplishes the dual goals of incentivizing homeownership while also improving the housing stock in neighborhoods devastated by foreclosure.

But all of this started with a vacant, foreclosed property and after this most recent housing boom, the numbers of vacant properties have only increased.

Vacant, foreclosed, dilapidated properties have a negative effect on the surrounding neighborhoods and on the property values of homes in those neighborhoods.

Again, I believe this is an important amendment to highlight the potential housing stock in this country that NSP funds could be used – but won't be used because of the termination of this program –to rehabilitate, redevelop, and resell to preserve neighborhoods, property values and communities across the country.

So I urge my colleagues to support my amendment and I yield back the balance of my time.