

Washington, DC - Today President Bush signed a housing bill that creates a landmark affordable housing program with a provision Rep. Peter Welch worked to include that guarantees small states like Vermont receive a share of the funding.

Welch worked with Financial Services Chairman Barney Frank (D-MA) to ensure small rural states receive a minimum level of funding under the program's distribution formula.

"One of the biggest challenges facing too many working Vermonters is finding decent and affordable housing for their families. This bill puts the dream of homeownership and affordable housing within reach of more Vermonters and more Americans. The small state minimum guarantees Vermont communities will have federal support to help meet this challenge head on," said Welch.

Chairman Frank said of Welch, "People in the smaller states in the country should be grateful to Rep. Welch for his diligence in making sure that the Affordable Housing Trust Fund legislation ensures that they will benefit from it."

H.R. 3221, the American Housing Rescue and Foreclosure Prevention Act of 2008, establishes a National Affordable Housing Trust Fund that by 2012 will provide \$500 million in funding for states and local communities to distribute grants to organizations, agencies, non-profits, or for-profits that demonstrate the capacity to build and rehabilitate affordable housing.

The National Housing Trust Fund is modeled after successful state programs like Vermont's Housing Trust Fund. In 1987, Welch was an original sponsor of the Vermont Housing and Conservation Trust Fund Act, which has generated over 8,500 units of affordable housing statewide since its inception. A trust fund was first championed in Congress by Senator Bernie Sanders while serving in the U.S. House.

Gus Seelig, executive director of the Vermont Housing and Conservation Board, said after the bill passed the U.S. House last week, "It is great to see Congress and Representative Welch making this significant commitment to improve access to affordable housing. With the small state minimum, this legislation will provide a significant boost to the good work already being

done here in Vermont."

The American Housing Rescue and Foreclosure Prevention Act of 2008 also includes measures to provide stability to the mortgage market and prevent future foreclosures.