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**Written Statement of Robert G. Loughery**  
**Chairman, Bucks County, PA Commissioners**

**Tax Relief after a Disaster: How Individuals, Small Businesses, and**  
**Communities Recover**

**Before the Committee on Finance Subcommittee on Taxation and IRS**  
**Oversight United States Senate, November 18, 2014**

Chairman Casey, Ranking Member Enzi, and members of the Committee, I appreciate the opportunity to discuss the timely and critical subject of how communities can best recover after a major natural disaster, and I commend your Committee for taking up this important topic today.

Hurricane Irene first made landfall on August 22, 2011, as a Category 1 hurricane in Puerto Rico where severe flooding resulted in significant property damage and loss of lives. Five days later, it made a second landfall over the Outer Banks of North Carolina with sustaining winds remaining at Category 1 level. On August 28 Irene reached Philadelphia and the surrounding suburbs, where it did substantial damage, raising the Schuylkill River to levels not seen in 140 years. The region was further battered just days later when Tropical Storm Lee struck Pennsylvania with torrential rainstorms and severe wind damage.

By the time these two storms had exhausted themselves, Hurricane Irene and Tropical Storm Lee had inflicted much harm along the entire East Coast of the United States.

Of course, we in Bucks County are no strangers to weather-related disasters. Since 2007, Bucks County has experienced eight (8) federally declared weather-related disasters, including Superstorm Sandy, Hurricane Irene and Tropical

Storm Lee. In each of these events the Neshaminy Creek, the Delaware River and the Delaware Canal all saw substantial flooding, resulting in millions of dollars of losses to residents and businesses. These storms also disrupted hundreds of thousands of lives while threatening the livelihoods of thousands.

Hurricane Irene racked up some big numbers for power outages, with more than 131,000 PECO customers losing service in our county. In addition, it impacted more than half a million in Philadelphia and surrounding suburbs.

Less than a month later Tropical Storm Lee caused more than \$2.17 million in damages to parks, roads, bridges, and equipment owned by Bucks County and 17 of our 54 municipalities. Damage to private property was significantly greater.

Even now residents and businesses in our county continue to bear those costs. Further tax relief could prove instrumental in restoring their quality of life and the lives and the viability of their business enterprises.

It is my understanding that this relief may also include the availability of additional low income housing tax credits, which I would also like to encourage.

The Low-Income Housing Tax Credit (LIHTC) Program has been and continues to be one of the single most powerful producers of high quality affordable rental homes.

Since 1986 these tax credits have enabled private developers to produce more than 1,100 new, high quality residences for low income working households in Bucks County alone. Spread over 17 different projects throughout our county, our \$5 million tax credit allocation attracted over \$15 million in new private investment.

Without these incentives, the housing market simply does not provide an adequate supply of homes within the reach of people of modest means. In fact, in Pennsylvania today, as noted by the Housing Alliance of Pennsylvania, there is a shortage of 220,000 apartments affordable to the working poor, defined as residents living on \$22,000 a year or below.

In Bucks County, we experience these same challenges. Seniors, low-wage workers and people with disabilities face an incredible challenge in finding safe, decent, affordable housing. The lack of good, adequate housing exacerbates

other issues and problems that place increasing strains on the services our county provides to its residents and the demands on our taxpayers.

The challenge is further compounded in our county by the structural deficiencies of a significant number of existing public housing units that are near the end of their useful life. Many of these structures need comprehensive rehabilitation.

Places such as Venice Ashby, located in Bristol Township, Bucks County, would benefit from an increased allocation of Low Income Housing Tax Credits. Such credits would allow our Housing Authority to replace old and rapidly deteriorating housing stock, constructed in the 1970's, with new, affordable housing, transforming an entire neighborhood and surrounding community. This is exactly the type of initiative we seek to pursue in Bucks County as we tackle affordable housing issues.

In reaping the economic benefit of new construction and redevelopment, and in strengthening families and neighborhoods, the taxpayers get a real bargain as well.

I would like to thank you for the opportunity to share our experiences and our vision with you this afternoon, and for your close attention and that of your staff to the challenge of addressing this important public policy challenge.

The need for the various relief measures envisioned is real.

Recovering from Hurricane Irene and Tropical Storm Lee has proved daunting. These natural disasters will not be the last our residents encounter. We speak of economic costs today, but the rising waters and the fierce winds of storms such as those our residents have endured not only uproot trees, they uproot lives. They wash away not only tangible goods, but hard fought dreams.

You have in your power the ability to lend a hand in rebuilding those lives and restoring those dreams. I urge you to take it.