

Pass the Collegiate Housing and Infrastructure Act of 2009

(H.R. 1547/S.781)

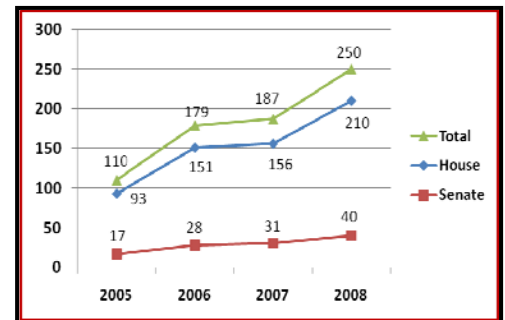
Make College More Affordable by Preserving Not-for-Profit Student Housing



Making College More Affordable Means Keeping Student Housing Costs Under Control. The high cost of college is a threat to educational equality and American competitiveness. A quirk in the tax laws allows colleges and universities to use charitable contributions to build and maintain student housing while preventing other not-for-profit student housing entities from doing the same thing.

Now is the Time to Provide Equitable Tax Treatment for All Not-For-Profit Student Housing. There is no sound policy reason for distinguishing between charitable

contributions made to colleges and universities for infrastructure improvements and gifts made to other not-for-profit entities such as fraternities and sororities for the benefit of similarly situated students. The **Collegiate Housing and Infrastructure Act of 2009 (H.R. 1547/S. 781) (CHIA)** erases this disparity, allowing tax deductible contributions to not-for-profit student housing entities such as fraternity and sorority foundations to be used for the same purposes that a college or university could use such contributions. **In the 110th Congress, CHIA secured 210 sponsors in the house and 40 sponsors in the Senate.**



Number of CHIA Sponsors

One Out of Every Eight College Students Lives in Greek Housing. The housing shortage would be even worse without fraternities and sororities, who are the nation's largest not-for-profit student landlords. Fraternities and sororities provide housing for over 250,000 students each year at no cost to the host institution. This \$3 billion dollar segment of the not-for-profit housing industry needs CHIA to become law so it can fund safety and structural improvements. Passing CHIA will help give more students access to safe and affordable not-for-profit housing, which is usually less expensive than university residence halls and off-campus housing.



We Must Improve Collegiate Housing Safety, Capacity and Energy Efficiency. Life safety upgrades are the top challenge facing fraternal housing. Only half of our housing has fire sprinklers so our smaller and older living spaces have twice the injury rate of other campus fires and significantly higher rates of property losses. 80% of fatalities in student housing fires since 2000 have occurred in off-campus housing such as fraternities and sororities. Installing automatic sprinkler systems saves lives - **there has never been a fire-related fatality in fraternal housing that has sprinklers.** Given the age of our housing, there is a need to install modern heating, cooling and electrical systems that are more energy efficient and environmentally friendly.



Fraternity fire at East Carolina University 2009



Fraternity fire at the University of Wisconsin 2008

Current Tax Laws Hinder Not-For-Profit Housing Access to Capital for Safety Upgrades. College towns such as Ames (IA), State College (PA), and Columbia (MO) are just some of the cities across the country that have passed ordinances requiring not-for-profit student housing to close if they don't retrofit fire sprinklers by a specific date. Fraternity housing can be up to 100 years old so retrofitting can cost as much as \$200,000. These costs cannot be passed along to current student tenants but the organizations often cannot raise the needed money to retrofit because the contributions are not tax-deductible. If CHIA becomes law, these organizations can raise the funds needed to make their housing safer and better for future generations of students.



CHIA will provide incentive for the generation of funding for capital and safety upgrades through infrastructure improvements and new construction.

Over \$1 billion in capital projects have been identified by Greek organizations at campuses across the country. Private funds will create and maintain jobs for local plumbers, roofers, carpenters, electricians, contractors and other individuals working in the suffering construction industry.

Passing the Collegiate House and Infrastructure Act (CHIA) would:

- **Make college more affordable with a minimal cost to taxpayers** by offering a less expensive housing alternative. The Committee on Joint Taxation scored the cost of CHIA at \$148 million over ten years in 2009.
- **Encourage new charitable contributions to improve current collegiate housing**, thereby preserving and upgrading existing housing capacity and helping construct the new housing needed to accommodate growing student populations.
- **Result in safer student housing** by enabling fraternities and sororities to fund the installation of modern life safety equipment such as fire sprinklers, smoke detectors, and alarm systems.
- **Create and maintain jobs** related to capital construction and improvements.

To petition your local congressman or senator to support, please go to www.cfcfacebook.com.