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## House of Representatives

State of South Carolina

### Committees:

Agriculture, Natural Resources  
and Environmental Affairs  
Operations and Management, 1st VC

### Subcommittee:

Environmental Affairs

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To Whom It May Concern:

Home ownership is a personal issue for me. Prior to becoming a member of the South Carolina House of Representatives, I experienced the first hand effects of being homeless. When I worked hard to finally get the opportunity to purchase a home, I was nearly denied a mortgage because of my student loan debt. I am now grateful to call myself a homeowner today and continue to work tirelessly to ensure folks across South Carolina have the same opportunity.

That being said, I am deeply concerned about this goal due to the proposal to raise bank capital requirements. This regulation would make it extremely difficult for anyone to purchase a home by increasing borrowing costs and mortgage requirements. This is especially true for Black families, who have only seen a 0.4% rise in homeownership over the last 10 years, contributing to the largest Black-White homeownership rate gap in a decade. Now, this proposal would only worsen their purchasing power. It is without a doubt to me that if this rule had been put in place several years ago, I would not be a homeowner today.

Moreover, being a homeowner is a critical pathway Black families use towards helping build wealth for future generations. This is because owning a home means communities of color are able to spend money building equity rather than having to exhaust it on rent. While Black families already spend an average of 14 years renting just to save up for a 5% down payment, this number could increase under the new regulation as banks look to charge borrowers with higher financial requirements. It means that Black families could be left having to wait even longer before they can break into the housing market.

Homeownership should not be a privilege but a right that every resident in South Carolina should have. The Biden administration has made that clear since the President's first day in office, promoting policies to make housing more affordable. To continue this mission, we must stop the regulation to increase bank capital requirements so as to not hurt Black families trying to buy their first home.

Rep. Annie E. McDaniel