

The HERO Act

Investing in Affordable Housing & Climate Change

Please co-sponsor S.1799/H.2894 by Sen. Eldridge & Rep. Montañó

An Act providing for climate change adaptation infrastructure and affordable housing investments in the Commonwealth, also known as HERO - Housing and Environmental Revenue Opportunities - would secure new revenue for investment in climate and housing by doubling the current deeds excise fee.

As we respond to the challenge of climate change, we must make housing more affordable - not less. We need significant new revenues to meet the scale of the housing and climate crises. An ongoing, annual reliable source of housing and climate dollars will ensure a clean energy future with climate resilient, energy efficient housing that is affordable to working families, seniors, and others with low-to-moderate incomes.

The HERO Act would:

- Double the deeds excise fee from \$4.56 per \$1,000 to \$9.12 per \$1,000 on property sold.
- Allocate 50% of increased fee to Affordable Housing Trust Fund and Housing Preservation Stabilization Fund.
- Allocate 50% of increased fee to Global Warming Solutions Trust Fund to carry out climate mitigation and adaptation action steps in line with the MA Clean Energy Climate Plan, prioritizing investments in environmental justice communities.

Deeds Excise Fee - An Equitable Solution

The deeds excise is a fee paid on income generated during a real estate sale. Massachusetts has one of the lowest deeds excise rates in the region. The HERO Act brings the Massachusetts excise fee into alignment with surrounding states.

- **Affordable:** Most homeowners only pay it once or twice in a lifetime and can amortize the cost over the life of a mortgage.
- **Equitable:** The largest cost is imposed on those buying and/or selling the most expensive properties and investors who buy and/or sell properties frequently, including large scale office, commercial and luxury residential developments.

Projected Impact:



Generate at least **\$300 million in new revenue annually** for housing and climate investments.



Support **3,500-6,500 new housing vouchers**, construct or preserve **18,000 housing units** over 10 years, & provide flexibility to cover **emergency assistance** needs.



Support large scale **climate mitigation & adaptation** projects, such as, decarbonization of low- and moderate-income housing and protection of low-income and coastal communities.

Current Deeds Excise Fee Rates in the Region

New Hampshire	-----	\$15 per \$1,000
New York	-----	\$12.50 per \$1,000
Vermont	-----	\$12.50 per \$1,000
Connecticut	-----	\$10.52 per \$1,000
Massachusetts Proposal	----	\$9.12 per \$1,000
Massachusetts Current Rate	-----	\$4.56 per \$1,000

For more information, please visit www.mahousingclimate.org, or contact us at heroalition@macdc.org.