

Senate Road to Housing Bill (S 2651)

Senate Banking Committee Chair Tim Scott (R-SC) and Ranking Member Elizabeth Warren (D-MA) [unveiled bipartisan housing legislation](#) that the Committee approved in late July.

The overall goals of the bill as outlined in the press release are to:

- Expand and preserve housing supply by
 - Removing regulatory barriers to housing development,
 - Increasing and preserving existing housing,
 - Promoting innovative construction methods, including expanding access to modular and manufactured housing, and
 - Addressing neighborhood blight and supports communities recovering from natural disasters,
- Improve housing affordability and access by,
- Advance accountability and fiscal Responsibility, and
- Improve oversight and program integrity.

Some highlights of the bill include:

- The **Build Now Act** (section 206), which is designed to incentivize housing production by providing bonus funding to CDBG entitlement cities and counties with a housing unit growth rate at or above the median housing unit growth rate, offset by a 10% cut to the formula allocation to some CDBG entitlement cities and counties with a housing unit growth rate below the median, with an exception for entitlement cities and counties with low housing costs, high vacancy rates, or without the legal authority to enact or update zoning and permitting ordinances (and for those that experienced a major disaster over the previous year),
- An **Innovation Fund** (section 209), a competitive pot of flexible funding authorized at \$200 million per year for 25 annual grants to communities that are building more housing supply (eligible uses would include projects eligible under [CDBG](#) and [BUILD](#), matching for SLRF loans and grants, and affordable housing construction),
- The **Accelerating Home Building Act** (section 210), which would authorize funding (such sums as are necessary) for a new HUD grant program to help communities establish preapproved housing designs, or pattern books, to help streamline and expedite local construction processes and build more homes (targeted toward “missing middle” housing such as accessory dwelling units, multiplexes, cottage courts, courtyard buildings, and townhouses),
- **Reauthorization of HOME** (section 502), details to follow,
- The **Reforming Disaster Recovery Act** (section 501), which would permanently authorize the CDBG-Disaster Recovery Program, establish a new Office of Disaster Management and Resiliency at HUD to manage the program, and create a Long-Term Disaster Recovery Fund at HUD with funds allocated by formula (details to follow),
- The **Housing Supply Frameworks Act** (section 203), which would require HUD to develop, within three years, best practice frameworks for zoning and land-use policies that identify and overcome barriers to housing development,

- The **Whole Homes Repair Act** (section 204), which would create a five-year pilot program authorized at \$30 million per year, for grants and forgivable loans for holistic repairs to low- and moderate-income owner-occupied and rental housing to stabilize aging housing stock, preserve affordable housing, and support neighborhood revitalization,
- The **Build More Housing Near Transit Act** (section 211), which would amend the Capital Investment Grants (CIG) program at the Federal Transit Administration to provide an optional increased rating in the evaluation process for projects in areas that establish pro-housing policy near public transportation routes, and
- The **Revitalizing Empty Structures into Desirable Environments (RESIDE) Act** (section 212), which would create a competitive pilot discretionary program within the HOME Investment Partnerships program if the annual appropriation exceeds \$1.35 billion to convert vacant and abandoned buildings into attainable housing.

The bill also includes environmental streamlining, streamlined HUD inspections, housing finance and appraisal changes, expansion of the Moving to Work Program, changes to homeless assistance programs, and a formal authorization of the PRICE Program for the improvement of manufactured housing.

The Banking Committee press release, which includes links to a [section-by-section summary](#) of the bill and the [bill text](#), is at: <https://tinyurl.com/yn7jbzp3>.

House HOME Reauthorization Bill

The [draft bill](#), titled the HOME Reform Act of 2025, is the result of two rounds of stakeholder outreach conducted by Subcommittee Chair Mike Flood (R-NE) and Ranking Member Emanuel Cleaver (D-MO).

The duo kicked off the effort in April with a [wide appeal for stakeholder feedback](#) on reauthorization and modernization of HOME and its sister program, the Community Development Block Grant (CDBG). They followed up with a series of direct follow-up meetings (literally Flood and Cleaver sitting at a table taking notes and asking questions) with select stakeholders focused on HOME. Flood and Cleaver plan similar sessions later focused on CDBG.

They are aiming to mark up the HOME measure in October, as part of a bill that includes other housing reforms.

The most important changes that the draft bill would make HOME are:

- Adding “workforce-income families” to those that can be assisted by HOME, with workforce-income families defined as families up to 100 percent of median income for the area, with the Secretary allowed to adjust locally for family size and other variations such as construction costs, fair market rents, and unusually high or low incomes,
- Removing the requirement that HOME grantees prioritize housing rehabilitation and allow grantees to focus on rehabilitation, new construction, reconstruction, acquisition, or other eligible uses,
- Creating a new eligible use of HOME funds for infrastructure improvements related to a housing project assisted by HOME or LIHTC (only outside of CDBG entitlement jurisdictions),
- Making units occupied by a tenant receiving Tenant-Based Section 8 rental assistance eligible for assistance under HOME, notwithstanding the income and rent limits that qualify housing as eligible for HOME assistance in another part of the law,
- Clarifying that a land trust or similar mechanism meets the requirement that homeownership housing assisted by HOME meets the affordability resale restrictions in the statute,
- Extending the deadline for participating jurisdictions to commit HOME funds from 24 months to 36 months,
- Extending the deadline for CHDOs to commit HOME funds from 24 months to 36 months and redistributing unused CHDO funds back to the participating jurisdiction (rather than HUD) for any use eligible under HOME,
- Increasing from 12 units to 50 units the size of new housing construction projects that are exempt from Davis-Bacon Act prevailing wage requirements,
- Creating a categorical exemption for review under the National Environmental Policy Act (NEPA) for:

- New construction housing units on infill lots in existing neighborhoods that are already served by public infrastructure,
 - Acquisition of real property for affordable housing,
 - Rehabilitation projects carried out by CHDOs, and
 - New construction projects of 20 units or less,
- Removing duplicative reviews for HOME-assisted projects that receive other federal funding,
- Exempting HOME from the Build America, Buy America Act, and
- Exempting HOME projects under 50 units from the requirements in [12 USC 1701u](#) that require federally-assisted housing projects to, the extent feasible, employ low- and very low-income people.

The draft bill is at:

<https://tinyurl.com/5cnvnp9s>.

Homeless Executive Order

President Trump issued an [Executive Order](#) that calls for major changes to federal homeless programs. Most notably, the Order calls for a shift to forced institutionalization of people experiencing homelessness and an end to the Housing First approach to addressing homelessness.

Titled “Ending Crime and Disorder on America’s Streets,” the Order, like all Executive Orders, does not change any laws, create new programs, or provide new funding. (Only Congress can do those things.) Instead, it instructs various federal agencies to take a variety of actions to change policies within the confines of existing laws or to seek the reversal of court rulings that run counter to the Administration’s preferred approach to homelessness.

Specifically, the Order instructs the Attorney General to:

- Take appropriate action to seek the reversal of federal or state judicial precedents and the termination of consent decrees that impede the Administration’s policy of encouraging the forced civil commitment of people with mental illness who pose a danger to themselves or other people or are homeless and cannot care for themselves,
- Assist state and local governments via guidance, existing grant programs, or legally available means, for the adoption and implementation of maximally flexible civil commitment and institutionalization of people with mental illness who pose a danger to themselves or other people or are homeless and cannot care for themselves,
- Ensure that homeless people who are arrested for federal crimes to determine whether they are sexually dangerous person and certified accordingly for civil commitment,
- Assess federal resources to determine whether they may be directed to ensuring detainees with mental illness are directed to jails or hospitals,
- Review whether housing and homeless grant recipients are in violation of federal law, particularly are in violation of federal law, particularly [21 USC 856](#), which prohibits knowingly owning, renting, operating, using, or maintaining any space in which controlled substances are used,
- Prioritize funding to support the expansion of drug courts and mental health courts,
- Take all steps to ensure the availability of funds under the [Emergency Federal Law Enforcement Assistance Program](#) to support encampment removal efforts in areas where public safety is at risk and state and local resources are inadequate.

It instructs the Attorney General, Secretary of Health and Human Services, Secretary of Housing and Urban Development, and Secretary of Transportation to take immediate steps to assess discretionary grant programs and determine whether priority may be given to state and local government applicants that:

- Enforce prohibitions on open illicit drug use,
- Enforce prohibitions on urban camping and loitering,
- Enforce prohibitions on urban squatting,

- Enforce, and where necessary, adopt, standards that address individuals who are a danger to themselves or others and suffer from serious mental illness or substance use disorder, or who are living on the streets and cannot care for themselves, through assisted outpatient treatment or by moving them into treatment centers or other appropriate facilities via civil commitment or other available means, to the maximum extent permitted by law,
- Substantially implement and comply with, to the extent required, the registration and notification obligations of the Sex Offender Registry and Notification Act, particularly in the case of registered sex offenders with no fixed address, including by adequately mapping and checking the location of homeless sex offenders.

The Secretary of Housing and Urban Development is instructed to:

- Increase the accountability of grants awarded for homeless assistance, including by ending support for Housing First and other policies that deprioritize accountability and fail to promote treatment, recovery, and self-sufficiency, increasing competition among grantees through broadening the applicant pool, and holding grantees to higher standards of effectiveness in reducing homelessness and increasing public safety,
- Require recipients of federal housing and homeless assistance to increase requirements that program participants take part in substance abuse treatment or mental health services as a condition of participation,
- Freeze funding for housing and homeless assistance grantees that the Attorney general determines are in violation of federal law, particularly [21 USC 856](#), which prohibits knowingly owning, renting, operating, using, or maintaining any space in which controlled substances are used,
- Take appropriate measures and revise regulations as necessary to allow, where permissible under applicable law, federally funded programs to exclusively house women and children and to stop sex offenders who receive homelessness assistance through such programs from being housed with unrelated children, and
- Allow federal homeless grantees to collect health-related information from people provided with assistance and share the data with law enforcement authorities.

The Order charges the Secretary of Health and Human Services to:

- Ensure that discretionary substance abuse grant programs for not fund “harm reduction” or “safe consumption” programs,
- Provide technical assistance to outpatient treatment programs for drug addiction and mental illness during and after civil commitment to shift participant off public programs and into private housing and support networks, and
- Ensure that funds for Federally Qualified Health Centers and Certified Community Behavioral Health Clinics reduce rather than promote homelessness by supporting, to the maximum extent permitted by law, comprehensive services for individuals with serious mental illness and substance use disorder, including crisis intervention services.

The Administration argues that federal homeless programs have not worked, that most homeless people are addicted to drugs or suffering from mental illness and pose a threat to public safety, and that shifting homeless people into long-term institutional settings and the other policy changes outlined in the Order will improve public safety.

Critics of the Order, led by [homeless advocates](#) and [civil liberties groups](#), argue that its implementation will criminalize homelessness, that forced institutionalization will violate civil liberties, and that Housing First provides the stability and wrap around services that help people overcome homelessness.

The Executive Order is at:

<https://tinyurl.com/thjhyxm>.

The White House fact sheet is at:

<https://tinyurl.com/htw8xrc>.