UNITED STATES SENATE COMMITTEE ON
BANKING HOUSING & URBAN AFFAIRS

21st Century ROAD to Housing Act

Title I – Opportunities for Housing

Sec. 101 – Reforms to Housing Counseling and Financial Literacy Programs

This section allows the Department of Housing and Urban Development (HUD) to review the performance of housing counseling agencies and counselors. If a counselor's performance falls short, HUD may require additional training and provide opportunities to demonstrate improvement. Counselors found to be consistently out of compliance may be subject to enhanced oversight or lose their certification.

Sec. 102 – Federal Guidelines for Point Access Block Buildings

This section allows the Department of Housing and Urban Development (HUD) to establish federal guidelines for point-access block buildings (i.e., single-staircase apartments with three or more stories). It also allows HUD to award competitive grants for pilot programs to assess the feasibility of such buildings where they make local sense.

Sec. 103 – Exemption on Construction or Modification of Residential Housing Located on an Infill Site

This section exempts from the *National Environmental Policy Act of 1969* (NEPA) most Rural Housing Service (RHS)-funded projects regarding the construction or modification of residential housing located on an infill site.

Sec. 104 – Database of Publicly Owned Land

This section requires Community Development Block Grant (CDBG) grantees to maintain a publicly accessible, searchable database identifying undeveloped land owned by the jurisdiction. It also allows grantees to use their CDBG funds to comply with the new database requirement.

Sec. 105 – FHA Small-Dollar Mortgages

This section authorizes a HUD pilot program to increase access to small-dollar mortgages with original principal balances of $100,000 or less.

Sec. 106 – Temperature Sensor Pilot Program

This section establishes a HUD pilot program to award grants to public housing agencies and owners of federally assisted rental housing to install temperature sensors in dwelling units, with the written permission of tenants, to ensure compliance with temperature-related housing quality standards.

Sec. 107 – Housing Supply Frameworks

This section directs HUD to develop best practice frameworks for zoning and land-use policies, helping communities identify and overcome barriers to housing development.

Title II – Building More in America:

Sec. 201 – Increasing Housing in Opportunity Zones

This section enables the HUD Secretary to give added weight to applicants for competitive HUD grants that are located in, or primarily serve, designated Opportunity Zones to support housing preservation and construction.

Sec. 202 – Whole-Home Repairs Act

This section authorizes a pilot program to offer grants and forgivable loans to eligible recipients to holistically address home repair needs and health hazards to stabilize aging housing stock.

Sec. 203 – Community Investment and Prosperity Act

This section increases the Public Welfare Investment cap applicable to banks supervised by the Office of the Comptroller of the Currency and the Federal Reserve from 15% to 20%, which will enhance banks' capacity to make private investments in affordable housing.

Sec. 204 – Addition of Affordable Housing Construction as an Eligible Activity

This section adds new construction as an eligible use under HUD's CDBG program.

Sec. 205 – Better Use of Intergovernmental and Local Development (BUILD) Housing Act

This section cuts red tape around environmental reviews, empowering state, local, and tribal governments to streamline reviews and increase housing development.

Sec. 206 – Unlocking Housing Supply Through Streamlined and Modernized Reviews Act

This section right-sizes NEPA review for small and infill housing projects, which will simplify the review process and get projects to construction faster.

Sec. 207 – Grants For Planning and Implementation Associated with Affordable Housing

This section authorizes a pilot program to offer competitive grants to assist state, local, and tribal governments with regional housing planning and community development activities.

Sec. 208 – Innovation Fund

This section authorizes a seven-year program to offer highly-flexible funding for communities that are building more housing supply, which can be used to improve community infrastructure and build housing.

Sec. 209 – Accelerating Home Building Act

This section authorizes a grant program to help communities establish pre-approved housing designs, or pattern books, to help streamline and expedite local construction processes and build more homes.

Sec. 210 – Revitalizing Empty Structures into Desirable Environments (RESIDE) Act

This section authorizes a pilot program within the HOME Investment Partnerships Program to convert vacant and abandoned buildings into attainable housing.

Sec. 211 – Housing Affordability Act

This section requires the Federal Housing Administration (FHA) to increase multifamily loan limits to better match housing market costs and enhance affordability.

Sec. 212 – Rental Assistance Demonstration Program

This section increases the cap for the Rental Assistance Demonstration (RAD) program by 100,000 units and codifies tenant protections.

Sec. 213 – Build Now Act

This section creates a pilot program to incentivize housing development of all types in certain CDBG participating jurisdictions.

Title III – Manufactured Housing for America:

Sec. 301 – Housing Supply Expansion Act

This section updates the federal definition of manufactured housing to include units not built on a permanent chassis to encourage innovation and expand naturally-occurring affordable housing. It also ensures that no energy efficiency standards for manufactured housing take legal effect until adopted by HUD.

Sec. 302 – Modular Housing Production Act

This section requires FHA to assess barriers to FHA-insured lending for modular housing and directs the HUD Secretary to consider modifying the financing draw schedule to encourage modular housing construction.

Sec. 303 – Property Improvement and Manufactured Housing Loan Modernization Act

This section updates mortgage lending standards for manufactured housing through FHA and expands access to financing for housing. The section also directs HUD to study the cost-effectiveness and long-term value of supporting housing finance for factory-built housing.

Sec. 304 – PRICE Act

This section authorizes HUD's Preservation and Reinvestment Initiative for Community Enhancement (PRICE) Program for seven years to provide grants to communities to maintain, protect, and stabilize manufactured housing and manufactured housing communities.

Title IV – Accessing the American Dream:

Sec. 401 – Creating Incentives for Small Dollar Loan Originators

This section requires the Consumer Financial Protection Bureau (CFPB) to issue a report to Congress studying the effect of various aspects of loan originator compensation on the availability of small-dollar mortgage loans and to assess the barriers they pose to the availability of small-dollar mortgages to consumers.

Sec. 402 – Small Dollar Mortgage Points and Fees

This section requires the CFPB and the Federal Housing Finance Agency (FHFA) to evaluate the impact of existing regulations that limit the points and fees that lenders can charge on qualified mortgage loans, which vary by loan limit.

Sec. 403 – Appraisal Industry Improvement Act

This section helps bolster appraiser workforce capacity, including by allowing both licensed and credentialed appraisers to conduct appraisals for FHA-insured mortgage lending transactions.

Sec. 404 – Helping More Families Save Act

This section authorizes a pilot program under HUD's Family Self-Sufficiency (FSS) initiative to promote economic mobility and homeownership by enabling more families to grow their household savings.

Sec. 405 – Choice in Affordable Housing Act

This section reduces HUD inspection delays by allowing units that are financed through other federal housing programs to automatically satisfy voucher inspection requirements if inspected within the past year. Additionally, the bill permits new landlords to request pre-inspections to increase access to housing and encourage landlord participation.

Title V – Program Reform:

Sec. 501 – HOME Investment Partnerships Reauthorization and Reform Act

This section reforms and reauthorizes the HOME Investment Partnerships Program. It makes critical updates to improve program administration and facilitate the construction of more affordable housing.

Sec. 502 – Rural Housing Service Reform Act

This section reforms the United States Department of Agriculture's (USDA) Rural Housing Service, including by decoupling rental assistance from maturing mortgages to preserve affordable housing in rural areas. This section will help preserve housing access for 400,000 rural families.

Sec. 503 – Incentivizing Local Solutions to Homelessness

This section allows states and localities that receive Emergency Solutions Grant funding to request a waiver of the statutory 60 percent spending cap on emergency shelter beds and street outreach.

Sec. 504 – Reforming Disaster Recovery Act

This section authorizes the Community Development Block Grant–Disaster Recovery (CDBG-DR) program for three years and establishes the Office of Disaster Management and Resiliency within HUD to administer the program.

Sec. 505 – New Moving to Work Cohort

This section authorizes a Moving to Work expansion cohort with targeted flexibilities to improve program administration and tenant outcomes.

Title VI – Veterans and Housing:

Sec. 601 – Military Service Question

This section adds a disclosure to Fannie Mae and Freddie Mac's uniform residential loan application form to ensure that veterans are made aware of their home loan benefits through the Department of Veterans Affairs (VA), which may provide a more affordable lending option.

Sec. 602 – Housing Unhoused Disabled Veterans Act

This section permanently excludes veterans' disability compensation from annual income calculations under the HUD-VASH program to help more homeless veterans access VA housing.

Sec. 603 – Veterans Affairs Loan Informed Disclosure (VALID) Act

This section improves transparency for veteran homebuyers by requiring FHA mortgage disclosures to include cost comparison information to make veterans aware of their home loan benefits through the VA and help them compare those options to FHA financing, with important privacy considerations.

Title VII – Oversight and Accountability:

Sec. 701 – Requiring Annual Testimony and Oversight from Housing Regulators

This section requires the HUD Secretary to testify annually before Congress on the Department's operations, oversight activities, and program performance.

Sec. 702 – FHA Reporting Requirements on Safety and Soundness

This section requires HUD to report monthly to Congress on the state of the statutorily required capital ratio of the Mutual Mortgage Insurance Fund, and to notify Congress if that ratio falls below statutorily required levels.

Sec. 703 – United States Interagency Council on Homelessness (USICH) Oversight

This section requires USICH to provide an update on the status of the plan to reduce homelessness in its annual planning process and requires annual USICH Congressional testimony, if requested.

Sec. 704 – Appraisal Modernization Act

This section requires USDA, FHA, and FHFA to implement and maintain requirements that federally backed mortgage lenders have a review and resolution procedure for consumer-initiated second appraisals, or reconsiderations of value, when they believe there may be an issue with their appraised home value.

Title VIII – Accountability, Coordination, Studies, & Reporting:

Sec. 801 – HUD-USDA-VA Interagency Coordination Act

This section directs HUD, USDA, and the VA to identify areas for collaboration to streamline and improve housing program implementation.

Sec. 802 – Streamlining Rural Housing Act

This section directs HUD and USDA to coordinate on joint environmental reviews for housing projects funded by both agencies.

Sec. 803 – Improving Self-Sufficiency of Families in HUD-Subsidized Housing

This section directs HUD to conduct a study on the implementation of work requirements by public housing agencies, with an assessment of the challenges and benefits of work requirements on public housing agencies and families, including the effects on homelessness, poverty, asset building, job attainment, and public housing agency administrative capacity.

Sec. 804 – GAO Studies

This section directs the Government Accountability Office (GAO) to study key housing issues to help advance housing and economic opportunities.

Sec. 805 – Improving Public Housing Agency Accountability

This section subjects public housing agencies (PHAs) to additional disclosure and oversight requirements, including enhanced reporting requirements for PHAs that are in receivership or subject to a monitor. It also adds certain requirements for the HUD Inspector General as it relates to PHA oversight.

Title IX – Strengthening Community Banks' Role in Housing:

Sec. 901 – Community Bank Deposit Access

This section establishes that custodial deposits of an insured depository institution are not considered to be brokered deposits if the total amount does not exceed 20% of an institution's total liabilities and the institution has less than $10 billion in assets.

Sec. 902 – Keeping Deposits Local

This section modifies the amount of reciprocal deposits of an insured depository institution that are not considered to be brokered deposits under a graduated scale based on an institution's total liabilities. The institution is also required to be well-capitalized and receive strong supervisory ratings from its regulators.

Sec. 903 – Tailored Regulatory Updates for Supervisory Testing

This section raises the consolidated asset threshold from $3 billion to $6 billion for insured depository institutions to qualify for an 18-month examination cycle.

Sec. 904 – Credit Union Board Modernization

This section amends the *Federal Credit Union Act* to revise the frequency of meetings that a federal credit union's board of directors is required to hold.

Sec. 905 – Systemic Risk Authority Transparency

This section requires the GAO and appropriate Federal banking regulators to issue reports within specified timeframes when the Federal Deposit Insurance Corporation (FDIC) invokes the systemic risk exception, detailing causes of bank failures, regulatory actions, and any management or supervisory shortcomings.

Sec. 906 – Advancing the Mentor-Protégé Program for Small Financial Institutions

This section directs the Department of the Treasury to establish a mentor-protégé program pairing large financial institutions with other depository institutions, with the goal of enhancing their capacity to serve customers and potentially act as financial agents.

Sec. 907 – American Access to Banking

This section directs Federal banking and credit union regulators to streamline the de novo application process, reduce duplicative information requests, and review capital-raising restrictions, particularly for non-accredited investors.

Sec. 908 – Promoting New Bank Formation

This section creates a two-year phase-in pilot for de novo financial institutions to meet Federal capital requirements.

Sec. 909 – Rural Depositories Revitalization Study

This section requires Federal prudential regulators to jointly study ways to improve the growth, capital adequacy, and profitability of rural depository institutions and to identify regulatory barriers to these goals and to the formation of new depository institutions, with a report to Congress due within one year of enactment.

Title X – Home-Ownership for Main Street America:

Sec. 1001 – Homes Are For People, Not Corporations

This section prohibits large institutional investors from purchasing certain single-family homes to promote homeownership opportunities for American families, not corporations.

Title XI – Central Bank Digital Currency:

Sec. 1101 – Central Bank Digital Currency

This section pauses the Federal Reserve from issuing a central bank digital currency.

Title XII – Miscellaneous:

Sec. 1201 – Severability

This section provides a severability clause for the legislation.

Sec. 1202 — No Additional Funds Authorized

This section ensures that certain legislative requirements are met.