UNITED STATES SENATE COMMITTEE on
BANKING, HOUSING, & URBAN AFFAIRS

21st Century ROAD to Housing Act: Section-by-Section

Title I– Improving Financial Literacy:

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.

Title II – Building More in America:

Sec. 201 – Rental Assistance Demonstration Program

This section lifts the cap on the Rental Assistance Demonstration (RAD) program and codifies tenant protections.

Sec. 202 – 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. 203 – 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. 204 – 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. 205 – Build Now Act

This section creates a pilot program to incentivize housing development of all kinds in certain Community Development Block Grant (CDBG) participating jurisdictions.

Sec. 206 – Addition of Affordable Housing Construction as an Eligible Activity

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

Sec. 207 – 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. 208 – Unlocking Housing Supply Through Streamlined and Modernized Reviews Act
This section right-sizes National Environmental Protection Act (NEPA) review for small and infill housing projects, which will simplify the review process and get projects to construction faster.

Sec. 209 – 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. 210 – Innovation Fund
This section authorizes a 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. 211 – 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. 212 – 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. 213 – 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.

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 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. It also gives the CFPB the flexibility to amend rules to encourage small-dollar loan origination.

Sec. 402 – Small Dollar Mortgage Points and Fees

This section requires 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. Based on such evaluation, the provision directs CFPB to make any necessary regulatory changes to points and fees to help encourage additional lending for small-dollar mortgages.

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 – Reforming Disaster Recovery Act

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

Sec. 502 – 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. 503 – 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. 504 – New Moving to Work Cohort

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

Sec. 505 – 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.

Title VI – Veterans and Housing:

Sec. 601 – VA Home Loan Awareness Act

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 – 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.

Sec. 603 – 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.

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. Separately, it requires annual testimony on housing and community development from the heads of FHA, Ginnie Mae, USDA, FHFA, and the VA.

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.

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 – 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.

Title IX – Homeownership for Main Street America

Sec. 901 – 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 X – Central Bank Digital Currency

Sec. 1001 – Central Bank Digital Currency
This section pauses the Federal Reserve from issuing a central bank digital currency.

Title XI – Miscellaneous

Sec. 1101 – Severability
This section provides a severability clause for the legislation.

Sec. 1102 — No Additional Funds Authorized
This section ensures that certain legislative requirements are met.