

For those that have had to sit through my updates at conferences or calls, they know I like to include the boast that we, as an affordable housing industry, keep winning. It might take time, patience and many meetings and Zoom calls, but in the end, the LIHTC and affordable housing are winning issues. Well, add another pennant to our wall.

Following overwhelming votes of 85 -5 in the Senate and 358-32 in the House, the [21st Century ROAD to Housing Act](#) is on the cusp of becoming law. Emphasizing the significance of the efforts of every corner of the affordable housing industry, the passage of ROAD is a testament to the perseverance and advocacy CHC and our colleagues across the country demonstrated over this long process.

Now I say on the cusp of becoming law because, as of the drafting of this update, our President, unpredictable as he is, decided to cancel the signing ceremony on Capitol Hill hours before the event due to his obsession with a bill called the SAVE Act. This partisan legislation would require every voter to prove US citizenship and have either a passport, birth certificate or military ID to verify that they are a US citizen. Without getting political, but to quote a Republican Representative from South Carolina, this is a disenfranchisement bill meant to drive down voter participation by the “other party.” The House has passed the SAVE Act by a partisan vote but Senate Majority Leader John Thune (R-SD) has told the President there are not 50 votes in the Senate for the bill. It cannot pass. Nonetheless, the President, for now, has declared nothing will get his signature until the SAVE Act is passed.

So, what does this mean? Well, once the House sends the 21st Century ROAD to Housing Act to the President he has 10 legislative days to sign the bill, or it automatically becomes law. He could veto the bill, but both chambers passed the legislation by veto proof margins. On top of that, this bill has been touted by Republicans on both sides of Capitol Hill, and the White House for what it is worth, as proof the party cares about affordability and fixing the housing crisis. To not have ROAD become law, would be a huge blow to the electoral hopes of many vulnerable House and Senate Republicans. In the end, I am confident ROAD will be enacted with or without the President’s signature sometime in the next two to three weeks.

Getting back to the passage of ROAD, this marks two major policy victories in less than 12 months, expansion of the LIHTC in the One Big Beautiful Bill and now the 21st Century ROAD to Housing Act. Housing affordability and production remain a top issue in Washington, DC, California and every state in between. Addressing NYMBISM, supply chain issues, labor and regulatory issues not included in ROAD remain a priority. This includes the difficulties the Build America, Buy America mandate has created for housing production, increasing the investor demand for the LIHTC and increasing the appropriations for HUD and USDA housing programs.

Regarding ROAD, there are a myriad of issues addressed in the bill that we hope will make it easier and less expensive to produce housing.

Key provisions of the bill include:

- (Section 203) Our much sought after increase in the Public Welfare Investment cap from 15% to 20%. This could significantly increase banks investment in the LIHTC.
- (Section 901) Maintains language banning private equity investors from purchasing for sale homes but excludes language from the previous bill that would have done the same for Build-to-Rent housing. It also excludes the language requiring divestiture of those rental properties after 7 years. This is a big win for our advocacy efforts to eliminate BTR from the bill and protects investment in potential rental homes under the LIHTC program.
- (Section 501) Within the reauthorization and reforms to the HOME Investment Partnership Program, the bill requires HUD to evaluate the Build America, Buy America program and its effects on housing production using HOME funds. This is part of our wider effort to address the disruption in housing production caused by the BABA mandate on HUD housing programs.
- (Section 206) One of the issues we have been focused on since President Trump won reelection was streamlining environmental reviews. This section reforms NEPA reviews of small and infill housing developments which we hope will simplify the process.
- (Section 301) Updates federal definition of manufactured housing to include units not built on a permanent chassis. Also regulates energy standards not adopted by HUD.
- (Section 212) While the final bill did not totally lift the cap on RAD conversions, it did increase the cap by 100,000 units.
- (Section 504) This section reauthorizes the CDBG-DR program for three years. It is not as long an extension as was desired but is a step in the right direction.

These are just a few of the provisions in the “ROAD” legislation. You can view a section-by-section of the legislation [here](#).

From my perspective as an advocate in Washington, DC, I cannot thank CHC, as well as your fellow housing associations throughout the country, for all the work that went into this victory for affordable housing. In addition, the astute policy making and negotiations by Senate Banking Chairman Tim Scott (R-SC) and Ranking Member Elizabeth Warren (D-MA) along with House Financial Services Chairman French Hill (R-AR) and Ranking Member Maxine Waters (D-CA) were key to the successful outcome. This again demonstrates that bipartisan policymaking is possible in this hyper partisan environment.

Thank you again and have a great summer.

David Gasson