NATIONAL LOW INCOME HOUSING COALITION

21ST CENTURY ROAD TO HOUSING ACT

IMPACTS ON LOW-INCOME HOUSEHOLDS

The "21st Century ROAD to Housing Act" is a broad, bipartisan housing package aimed at addressing the national affordable housing shortage. The bill includes 59 provisions related to housing supply, disaster recovery, manufactured housing, mortgage financing, rural housing, veterans' housing, public housing, and community banking. The bill became law in July of 2026.

To read the full text of the final bill, go here.

To read a short summary of each section, go here.

How to Use this Document: This guide includes key provisions of the "21st Century ROAD to Housing Act" (we will refer to it as "ROAD" in this resource) that have a direct impact on low-income renters.

For more information on specific provisions, reach out to NLIHC Senior Policy Analysts Libby O'Neill and Meghan Mertyris at outreach@nlihc.org.

WHAT'S NEXT?

Passing this bill is a monumental win AND we know the job isn't finished yet! Implementation is where the rubber meets the road. Timing for implementation of each provision will vary based on the need for rulemaking and agency capacity. Additionally, some programs rely on Congressional appropriations.

Next, where applicable, we'll be focused on:

1. Ensuring agencies in charge of each of these programs create final rules – the set of requirements for the program moving forward – that establish the most efficient and equitable programs.
2. Working with Congress to allocate sufficient funding to programs.
3. Pushing Congress to enact changes to the provisions we have concerns about.
4. Continuing to push Congress to invest in federal programs that serve renters with the greatest needs.

Take Action!

Reach out to outreach@nlihc.org to learn more and get involved in any of these ongoing advocacy efforts.

Talk to your members of Congress and local government officials about provisions you would like to see make an impact in your community.

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TOP PRIORITIES FOR NLIHC

Section 504: Reforming Disaster Recovery Act

What does this provision do? The Reforming Disaster Recovery Act (RDRA) authorizes HUD's Community Development Block Grant – Disaster Recovery (CDBG-DR) program for three years. CDBG-DR is a long-running program that provides flexible grants to help presidentially declared disaster areas rebuild affordable housing and other infrastructure, distribute rental assistance, carry out mitigation and resilience activities, aid in economic development, and much more.

Congress has initially authorized the CDBG-DR program for three years. Ideally, the program should be authorized permanently to ensure efficiency, reduce unnecessary bureaucracy, and deliver aid quickly to disaster survivors. NLIHC, its Disaster Housing Recovery Coalition (DHRC), and its partners will continue to urge Congress to do so.

Why is authorization important? Despite being the only source of long-term recovery funds from the federal government, the CDBG-DR program had not previously been authorized. Authorization is important because it allows a program to get regular funding and undertake continuous improvement under consistent program rules.

Prior to this authorization, Congress – on no regular, consistent timeline – approved program funds, forcing HUD to rewrite the rules of the program each time. Authorization allows Congress to put funds into the program on a yearly basis and HUD to create permanent rules governing the program, speeding up the flow of funds to disaster survivors.

Who will be impacted? These changes will help households impacted by presidentially declared disasters with their long-term recovery and preparedness. The RDRA establishes an Office of Disaster Management and Resiliency at HUD. Under this program, states, territories, and tribal governments must...

- Spend funds proportionately between renters and homeowners
- Distribute funds equally between housing and infrastructure
- Ensure 70% of funds benefit low-to-moderate (LMI) households
- Prioritize activities that help LMI survivors recover, address pre- and post-disaster housing needs, and prepare for future disasters

Ultimately, the RDRA creates a long-term recovery and preparedness program that is faster, fairer, and more forward-looking.

Want more details? Check out our two new factsheets.

- Community Development Block Grant – Disaster Recovery: Funding 101
- Community Development Block Grant – Disaster Recovery: Then vs. Now

Section 502: Rural Housing Service Reform Act

What does this provision do? This provision makes several improvements related to housing programs under the U.S. Department of Agriculture – Rural Development program (USDA-RD) Rural Housing Service (RHS), including:

- Protects rental assistance for rural renters by "decoupling," or separating Section 515 mortgage financing from rental assistance at USDA-RD properties so that when the mortgages mature, the rental assistance and tenant protections don't go away.
- Permanently authorizes USDA-RD's Multifamily Housing Preservation and Revitalization (MPR) program, which helps owners or purchasers of housing funded by USDA Sections 514, 515, and 516.
- Increases the maximum grant amount for Section 504 – home repair grants for low-income rural homeowners from $7,500 to $15,000.
- Establishes a Rural Community Development Initiative that will provide capacity building grants for organizations in rural areas.
- Modernizes USDA staffing and technology.

Who will be impacted? Residents who live in rental properties financed by USDA-RD Section 515 with maturing mortgages (when owners pay off their mortgages before the terms end) will benefit because they will now keep their rental assistance and tenant protections long-term. Low-income rural homeowners can benefit from larger grants for home repair.

For more information, see [NLIHC's Advocates' Guide article on USDA Rural Rental Housing Programs].

Section 405: Choice in Affordable Housing Act

What does this provision do? Rental units being rented to households with housing choice vouchers are required to have an inspection completed by the local public housing agency (PHA). This can cause delays for households trying to move into homes. This new policy addresses this in two ways:

1. If the unit has received financing through another housing program and has been inspected in the past 12 months for the purposes of that program, it meets the PHA requirement. Other housing programs that meet the requirement are: Low-Income Housing Tax Credit; HOME Investment Partnerships Program; Rural Housing Service. In addition, if the unit is in a rural or small area, a remote or video inspection will be allowed.
2. If a landlord has not previously rented a unit to a household with a housing choice voucher, they can have an inspection done before their unit is selected by a household. A household with a voucher must enter into a lease agreement within 60 days of the inspection.

Who will be impacted? Households that have received a Housing Choice Voucher but have not yet signed a lease could benefit from these changes. These changes can help households get into rental homes more quickly by reducing the wait time to complete an inspection.

PROVISIONS WITH DIRECT IMPACTS ON LOW INCOME RENTERS

Section 106: Temperature Sensor Pilot Program

What does this provision do? This pilot program will provide grants to public housing agencies or owners of eligible federally assisted rental units to install temperature sensors in residential units (with written permission from the resident) to ensure that the units meet temperature requirements. After one year of the pilot program beginning, HUD will publish a preliminary report that examines the number of temperature-related complaints and temperature-related violations in units with temperature sensors before and after installation of the sensors. HUD will do a final evaluation three years after the pilot program.

Who will be impacted? Certain residents in federally-assisted rental properties may be impacted. The bill creates a pilot program and PHAs and owners of federally-assisted rental units will likely need to apply for a grant from HUD to participate in the program. PHAs and owners of federally-assisted rental units will likely need to apply for a grant from HUD to participate in the program.

The following programs are eligible:

- Project based section 8
- Public housing
- Section 202
- Section 811

If you live in a unit covered by one of these programs, the owner may apply for a grant to purchase temperature sensors. If they do, they will need to get your written permission to install the temperature sensor in your unit.

Section 404: Helping More Families Save Act

What does this provision do? This section establishes a pilot program to improve and expand HUD's Family Self-Sufficiency Program (FSS) program, enabling more families to participate in the program and grow their household savings. The FSS program creates a savings account for participating households; if the household's rent payment increases over time due to an increase in their income, the amount of the increase will be deposited into the savings account for later use by the household.

Who will be impacted? Certain households living in public housing or receiving HUD rental assistance could be impacted. HUD will select up to 25 PHAs to participate in the pilot program. These PHAs would automatically enroll up to 5,000 families living in public housing or receiving HUD rental assistance. Households could opt out of the program at any time.

Section 503: Incentivizing Local Solutions to Homelessness

What does this provision do? This section allows states and localities that receive Emergency Solutions Grant (ESG) funding to request a waiver of the statutory 60%

spending cap on emergency shelter beds and street outreach.

Who will be impacted? People experience unsheltered homelessness may be impacted. This provision will allow for greater flexibility in how communities can use ESG funding to address the needs of people experiencing unsheltered homelessness.

Section 602: Housing Unhoused Disabled Veterans Act

What does this provision do? This bill would help more veterans experiencing homelessness access housing opportunities through the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program by permanently excluding disability benefits for the purpose of determining income eligibility for HUD-VASH. This is HUD's current policy, and this provision codifies it to ensure the policy remains in effect. Prior to this policy, some disabled veterans may not have qualified to receive housing assistance if their disability benefits put them over the income limits for assistance. This policy helps more people qualify for rental assistance.

Who will be impacted? Veterans experiencing homelessness and receiving disability payments could benefit from this change.

Section 304: Preservation and Reinvestment Initiative for Community Enhancement (PRICE) Act

What does this provision do? This provision authorizes HUD's PRICE Program for seven years. The PRICE Program was first funded in 2023 and provides grants to manufactured housing communities (MHCs) and local governments to make improvements related to health and safety, weatherization, or address accessibility needs. For an MHC to be eligible to apply, the community must be affordable and must either be owned by the residents or remain affordable to the longest extent possible. The program did not receive any funding in 2026.

Who will be impacted? People living in manufactured housing, either within a manufactured housing community or on their own land, may benefit from this program. Local governments, tribes, owners of MHCs, and other eligible groups can apply to HUD for a grant. Individual owners of manufactured homes cannot apply directly for a grant.

Section 301: Housing Supply Expansion Act

What does this provision do? This section would remove a HUD requirement that manufactured homes be constructed with a permanent chassis, lowering the cost of production and expanding design and location possibilities.

Who will be impacted? Homebuyers interested in buying a manufactured home should see more design options and reduced prices. A proposed rule published by HUD in June 2026 would complement this provision by allowing upper-level sections of manufactured housing to be transported without a chassis, allowing for more design options to develop multistory housing of up to four units per structure.

Section 202: Whole Home Repairs Act

What does this provision do? This provision creates a 5-year, $30 million pilot program that will offer grants to low- and moderate-income homeowners to make repairs on their homes; small landlords are eligible to receive forgivable loans. Repairs are intended to address habitability and safety concerns, physical and accessibility improvements, and energy efficiency, weatherization, and resilience improvements.

Who will be impacted? Homeowners with incomes up to 80% of area median income (AMI) will be eligible to receive grants. Small landlords who provide affordable rental homes will be eligible for forgivable loans. Grants and loans will be administered by local governments, Indian tribes, nonprofits or other qualifying entities. Funding will be awarded by HUD to administrating entities, who will then select eligible homeowners and landlords.

NLIHC's National Renter Survey found that tenants are often reluctant to ask for modifications as a reasonable accommodation. While the fair housing act requires private market landlords to allow accessibility modifications, it does not require or help them to pay. If you live in a community that receives award under this provision, you can advocate for awardees to prioritize the accessibility and habitability needs of tenants with eligible landlords.

PROVISIONS TO MONITOR FOR CONCERNS

Section 212: Rental Assistance Demonstration (RAD) Expansion

What does this provision do? This section increases the cap on the number of public housing agency (PHA) units that can undergo RAD conversions from 455,000 to 555,000. According to HUD, as of June 2026, 263,933 units at almost 1,911 properties have been converted under the RAD program; 66,304 units are in the pipeline and 147,822 units are "reserved" as part of a large portfolio of units to be converted over time. This totals 411,914 units, 43,086 below the "old" 455,000 cap.

The RAD program was authorized in 2012 with the goal of helping to preserve low-income housing. RAD allows PHAs to leverage Section 8 rental assistance contracts to access private capital to make major physical improvements at public housing properties. Typically, when a property "converts" via RAD, the property is moved from the Section 9 public housing platform to the Section 8 platform, meaning it gets a long-term rental assistance contract and residents continue to pay 30% of their income on rent.

NLIHC has opposed RAD expansion and raised concerns about the enforcement of tenant protections at properties that have converted through RAD. This provision in ROAD does provide HUD with additional tools to monitor and enforce tenant protections at RAD properties, which is a step toward addressing concerns historically held by NLIHC. It will be essential for Congress to ensure that HUD actively monitors and enforces rights and protections for tenants in properties converted under RAD.

Who will be impacted? Public Housing residents, if your PHA participates in RAD, will be impacted. HUD requires that PHAs notify residents and resident associations, and consult with them throughout the conversion process, and discuss RAD in public hearings. Residents can hold PHAs and other involved parties accountable to their rights.

For more information, see NLIHC's [Advocates' Guide article on Rental Assistance Demonstration].

Section 505: New Moving to Work Cohort

What does this provision do? This section authorizes a new cohort for the Moving to Work (MTW) demonstration program, adding 25 public housing agencies (PHAs) to the program (there are currently 139 PHAs in the program).

PHAs that are part of the MTW Demonstration are allowed to implement certain experimental policies, if approved by HUD. The provision does not specify which policies will be approved for the new PHAs, but it does include guardrails saying that certain policies will not be allowed: work requirements, time limits, or significantly increased rents. These kinds of policies may be harmful to tenants, creating instability and uncertainty about their housing.

Some of the policies that existing MTW PHAs have adopted include: programs to equip residents for homeownership, mobility counseling, targeting certain underserved populations, and streamlining certain administrative procedures.

Who will be impacted? Residents of PHAs that are eventually chosen for the new MTW program cohort will be impacted.

For more information, see NLIHC's Advocates' Guide article on Moving to Work.

PROVISIONS THAT WILL IMPACT HOUSING SUPPLY

Many of the provisions in the 21st Century ROAD to Housing Act will have more long-term impacts on housing supply, by creating pilot programs for housing construction and rehabilitation, lowering costs, and speeding up construction of housing.

Section 107: Housing Supply Frameworks Act

Directs HUD to identify best practices in zoning and land use that will result in increased housing supply and develop "state zoning frameworks" and "local zoning frameworks" to assist state and local governments. Zoning and land use reforms to be considered may include reducing parking minimums, eliminating restrictions on accessory dwelling units (ADUs), increasing by-right uses, including duplex, triplex, or quadraplex buildings across cities or metropolitan areas, and policies to encourage transit-oriented development.

Section 203: Community Investment and Prosperity Act

Banks are currently allowed by statute to use 15% of their capital and surplus on "public welfare investments." This provision increases that cap to 20%. "Public welfare investments" include investments in affordable housing, including equity investments in Low-Income Housing Tax Credit developments, small businesses, technical assistance, financial literacy, and other community development activities. With the expansion of the LIHTC program under H.R.1, stakeholders have been advocating for policies that will increase investor demand, ensuring credit pricing that is beneficial for development financing. This provision is one such policy.

Section 204: Addition of Affordable Housing Construction as an Eligible Activity

This provision allows Community Development Block Grant (CDBG) funding to be used for new affordable housing construction. Currently, CDBG funds can only be used for new construction in limited circumstances. The provision allows CDBG recipients to use up to 20% of their allocated amount for new construction.

For more information, see NLIHC's Advocates' Guide article on Community Development Block Grant and Section 108 Loan Guarantee Programs.

Section 205: Better Use of Intergovernmental and Local Development (BUILD) Housing Act

Designates certain HUD projects as "special projects," giving HUD the authority to delegate and coordinate environmental reviews required by the National Environmental Policy Act (NEPA).

Section 206: Unlocking Housing Supply Through Streamlined and Modernized Reviews Act

Allows HUD to reclassify certain housing-related activities for purposes of environmental reviews required by the National Environmental Policy Act (NEPA).

Section 207: Grants for Planning and Implementation Associated with Affordable Housing

This provision establishes a competitive grant program within HUD to award grants to eligible entities (such as state governments, local governments, and regional planning agencies) to assist with planning and implementation activities associated with affordable housing and community development.

Section 208: Innovation Fund

This provision creates a $200 million annual competitive grant program for five years that can be used for a wide range of activities that support housing and community development. Housing constructed with these funds must be "attainable" as defined by the provision: housing that serves households earning not more than 120 percent of the area median income, if the majority of the housing units are affordable to households earning not more than 60 percent of the area median income.

Section 209: Accelerating Home Building Act

Authorizes HUD to provide grants to eligible entities to select pre-reviewed designs for mixed-income housing structures with fewer than 25 units. "Pre-reviewed designs," also known as "pattern books," provide sets of construction plans that have been assessed and approved by localities for compliance with local laws and standards. Using these designs can expedite and streamline housing construction. The bill specifies at least 10% of authorized funding should be targeted to rural areas.

Section 210: Revitalizing Empty Structures into Desirable Environments (RESIDE) Act

This provision would establish a pilot grant program within the HOME Investment Partnerships Program for eligible entities to convert vacant and abandoned buildings, such as warehouses, strip malls, or other buildings, into "attainable" or "mixed-income housing." Housing constructed with these funds must be "attainable" as defined by the provision: housing that serves households earning not more than 120 percent of the area median income, if the majority of the housing units are affordable to households earning not more than 60 percent of the area median income.

Section 213: Build Now Act

This section ties some localities' Community Development Block Grant (CDBG) funding to their housing production. The provision would include bonuses for localities that improve their track record on increasing housing supply and small CDBG funding reductions for localities that fail to improve housing growth. The provision includes several exemptions, including communities that have been subject to a major disaster or emergency declaration in the preceding three years and jurisdictions with low rents and home values, among other exemptions.

Section 302: Modular Housing Production Act

Directs the HUD Secretary to review Federal Housing Administration (FHA) construction financing programs and identify barriers to the use of modular home methods, including financing program features such as construction draw schedules, and to initiate rulemaking to examine an alternative draw schedule for modular and manufactured housing.

Section 501: HOME Investment Partnerships Reauthorization and Reform Act

This provision reauthorizes the HOME program and makes several reforms related to income restrictions for homeownership activities, environmental reviews, community land trusts, deadline for fund withdrawals, the definition of a Community Housing Development Organization (CHDO), tenant protections and Build America, Buy America (BABA) requirements. The provision on BABA requires HUD to complete a review of the implementation of BABA with respect to the HOME program and provide updated guidance.

For more information, see NLIHC's Advocates' Guide article on the HOME Investment Partnerships Program.