TALKING POINTS & Q&A

The 21st Century ROAD to Housing Act

For Cities, Counties & Regional Planners

Prepared for your council, commission, or planning board · **[Agency Name]** · **[Presenter]** (City/County Manager or Housing Director) · **[Date]**

SAY THIS IN 60 SECONDS

CDBG grantees owe a searchable database of undeveloped public land by October 1, 2026, and entitlement cities and counties should have HUD's Build Now growth-rate letter around September 9, 2026 — the rest is opportunity, not mandate.

The National League of Cities summed it up: the Act imposes no zoning preemption and no unfunded mandates, but it does reshape CDBG. Section 104 requires every CDBG grantee to certify it maintains a public, searchable database of all undeveloped land it owns (effective October 1, 2026; the cost is CDBG-eligible). Section 213 (Build Now) will, from the third full fiscal year after enactment through FY2043, cut allocations 10% for entitlement grantees below the median housing-growth improvement rate and redistribute the money as bonuses to those at or above it, with exemptions for low-cost, high-vacancy, recently disaster-declared, and no-zoning-authority jurisdictions.

Make it yours. Replace **[Agency Name]**, **[Presenter]** and **[Date]** in the title block, drop the questions that will not come up, and add your own local numbers. Section references (Sec. NNN) point to the enrolled text; every fact traces to a source on the web guide (reviewed on the date in the footer).

Key messages

Sec. 102 **Federal Guidelines for Point-Access Block Buildings.** Directs HUD to publish model code language, best practices, and technical guidance that states, territories, Tribes, and localities can use to permit single-stair ("point-access block") apartment buildings of up to six stories.

Sec. 103 **Exemption on Construction or Modification of Residential Housing Located on an Infill Site.** Relieves USDA of any environmental study or report when it assists construction or modification of housing on an "infill site" under its main rural housing programs (Sections 501, 502, 504, 515, 533, and 538 of the Housing Act of 1949).

Sec. 104 **Database of Publicly Owned Land.** Adds a new CDBG grantee certification: the grantee maintains a publicly accessible, searchable online database identifying every parcel of undeveloped land it owns.

Sec. 107 **Housing Supply Frameworks.** Directs HUD's Assistant Secretary for Policy Development and Research to publish guidelines and best practices for state and local zoning frameworks — parking minimums, floor-area and height limits, ADUs, by-right duplexes through quadplexes, ministerial review, transit-oriented development…

Sec. 204 **Addition of Affordable Housing Construction as an Eligible Activity.** For the first time, makes new construction of affordable housing (as defined in HOME Section 215) an eligible CDBG activity, capped at 20 percent of a recipient's allocation, and counts it toward the low- and moderate-income benefit requirement.

Sec. 205 **Better Use of Intergovernmental and Local Development (BUILD) Housing Act.** Lets HUD designate any assistance it administers as a "special project" for environmental review, which allows states, localities, and — newly — federally recognized Indian Tribes to assume HUD's NEPA responsibilities.

Likely questions

Q1 What is the 21st Century ROAD to Housing Act, in one paragraph?

It is Public Law 119-101 — H.R. 6644 of the 119th Congress — a 12-title, 60-section federal housing law that became law on July 11, 2026. It merges the Senate's bipartisan "ROAD to Housing Act" (Scott–Warren) with the House's "Housing for the 21st Century Act" (Hill–Waters), and adds two late additions: a purchase restriction on large institutional investors (Title X) and a moratorium on a Federal Reserve central bank digital currency (Title XI). Most of it is program reform and streamlining — HOME, CDBG, RAD, vouchers, rural housing, manufactured housing, environmental review, disaster recovery, appraisals, community banking — rather than new spending. Its long title says it plainly: "An Act to increase the supply of housing in America, and for other purposes."

Q2 What does the Act NOT do?

It does not appropriate money (see the next question), does not expand or amend the Low-Income Housing Tax Credit (the LIHTC statute, IRC §42, is untouched — the 2025 LIHTC expansion came from a separate tax law), does not amend the National Housing Trust Fund, does not create new voucher funding, does not preempt state or local zoning, and does not reform Fannie Mae or Freddie Mac. It also contains no tribal title (tribes appear as eligible applicants in several programs) and no general tenant-protection package. Where it touches LIHTC at all it is indirect — for example, LIHTC units that passed inspection within the last 12 months are deemed to meet voucher inspection requirements (§405), and the bank public-welfare-investment cap rises from 15% to 20% of capital and surplus (§203). (Sec. 203, 405)

Q3 Does the Act come with money? What does §1202 mean?

No new dollars are appropriated. The Act is an authorizing statute: it creates or reshapes programs and tells agencies what to do, but the money still has to come through annual appropriations bills. Section 1202 says: "No additional funds are authorized to be appropriated to carry out the requirements of this Act or any amendment made by this Act." The one explicit dollar authorization is the Innovation Fund (§208) at $200 million a year for FY2027–FY2031 — and even that must be funded by appropriators before a dollar moves. CBO's July 14, 2026 estimate of the enacted law found essentially no mandatory-spending effect (a net $0 on the deficit over 2026–2036, rounded) and did not estimate discretionary spending. (Sec. 208, 1202)

Q4 How did the Act become law without the President's signature?

Congress cleared the bill on June 23, 2026 (Senate 85–5 on June 22; House 358–32 on June 23) and presented it to the President on June 29. Under Article I, §7 of the Constitution, a bill the President neither signs nor vetoes becomes law after ten days (Sundays excepted) as long as Congress is in session — which it was. The President publicly declined to sign in protest over an unrelated bill, and the ten-day window ran out. Public Law 119-101 is dated July 11, 2026, and that is the date agencies and this hub use to compute every "days after enactment" deadline. This is not a pocket veto; a pocket veto only happens when Congress has adjourned and the bill cannot be returned.

Q5 What were the final votes, and who voted no?

The Senate agreed to the final text 85–5 on June 22, 2026 (Vote #182); the House cleared it 358–32 on June 23, 2026 (Roll Call 224) under suspension of the rules. Earlier milestones: Senate Banking Committee markup 24–0 (July 29, 2025); House passage of its own bill 390–9 (Feb 9, 2026); Senate passage of the merged text 89–10 (Mar 12, 2026); House amendment 396–13 (May 20, 2026). Every "no" on the final House vote came from Republicans, most citing the temporary rather than permanent central-bank-digital-currency ban.

Q6 Why do section numbers in older summaries not match the law?

Because the bill was renumbered as it moved. In the Senate's March 2026 text the investor restriction was §901 and the CBDC ban was §1001; in the enacted law they are §1001 and §1101, and community banking is Title IX (§§901–909). Some pre-passage explainers still use the old numbers. This hub uses only the enrolled numbering — for example §405 is the Choice in Affordable Housing Act, §505 is the new Moving to Work cohort, §212 is RAD, and §1202 is "No additional funds authorized." (Sec. 212, 405, 505, 1001, 1101, 1202)

Q7 What are the biggest HOME changes in §501?

Section 501 reauthorizes HOME with no expiration and rewrites a long list of rules. Highlights: participating jurisdictions that are not CDBG grantees may fund housing-related infrastructure (water, sewer, sidewalks, roads) adjacent to HOME- or LIHTC-assisted housing; the homeownership purchase-price limit rises from 95% to 110% of area median purchase price; voucher-occupied units count as affordable; certain HOME activities (infill new construction, acquisition, small rehab, new construction of 15 or fewer units) get statutory environmental-review exemptions; Section 3 does not apply to state recipients or small PJs (under $3 million allocations) for projects of 50 or fewer units; the minimum PJ allocation threshold rises from $500,000 to $750,000; a community land trust definition is added; and the CHDO set-aside recaptures to the PJ after 24 months. HUD owes rules on the infrastructure and environmental provisions within one year (about July 11, 2027) and a Build America, Buy America review within 180 days. (Sec. 501)

Q8 What changes for CDBG grantees — §204, §213, and §104?

Section 204 makes new construction of affordable housing an eligible CDBG activity for up to 20% of a recipient's allocation, applying only to funds appropriated after enactment. Section 213, the Build Now Act, ties entitlement allocations to housing production: HUD computes each metropolitan city's and urban county's "housing growth improvement rate," recipients below the median lose 10% of their allocation, and that money is redistributed to at-or-above-median and extremely-high-growth (4%+ per year) recipients — with exemptions for low-cost, high-vacancy, recently disaster-declared, and no-zoning-authority jurisdictions. HUD must notify recipients of their rates within 60 days (about September 9, 2026); the adjustments begin with the third full fiscal year after enactment and run through FY2043. Section 104 requires every CDBG grantee to certify it maintains a public, searchable database of all undeveloped land it owns, effective October 1, 2026. (Sec. 104, 204, 213)

Q9 When does the Build Now Act (§213) actually start moving money?

The statute says the adjustments apply "beginning with the third full fiscal year after the date of enactment" and run through fiscal year 2043. Counting from a July 11, 2026 enactment (which falls in FY2026), FY2027 is the first full fiscal year, FY2028 the second, and FY2029 the third — but several explainers, including BPC, read the start as FY2030. This hub does not state either year as fact until HUD says how it reads the clause. What is not ambiguous: HUD must notify each recipient of its housing growth improvement rate within 60 days of enactment, and the section does not apply to funds appropriated before enactment. (Sec. 213)

Q10 What is the Innovation Fund (§208), and is it funded?

It is a competitive HUD grant program for metropolitan cities, urban counties, other local governments, and Indian tribes that show "objective improvement in housing supply growth" under a methodology HUD must publish in the Federal Register at least 90 days before the first funding notice. Grants run from $250,000 to $10 million, HUD must make at least 25 awards a year if funds allow, and eligible uses include any CDBG-eligible activity, certain transportation projects, and "attainable housing" initiatives (up to 120% of area median income, with a majority at or below 60%). The Act authorizes $200 million a year for FY2027–FY2031, adjusted for inflation, and requires HUD to establish the program within one year; it sunsets seven years after enactment. As of mid-August 2026 nothing had been appropriated: the House FY2027 THUD bill approved in committee June 3, 2026 predates enactment and identifies no Innovation Fund line, and the Senate bill had not been released. States and HFAs are not eligible applicants. (Sec. 208)

Q11 What does the Act do to environmental review (§§205–206)?

Section 205, the BUILD Housing Act, lets HUD designate any HUD assistance as a "special project" so environmental review can be assumed by states and localities under 24 CFR part 58, and confirms Indian tribes may assume those responsibilities; it applies only to funds appropriated after enactment and not to projects that mix pre- and post-enactment money. Section 206 directs HUD, through notice-and-comment rulemaking, to reclassify listed housing activities: tenant-based rental assistance, supportive services, operating costs, predevelopment costs, and homebuyer assistance become exempt; small rehab and up-to-four-unit scattered-site work become categorically excluded not subject to the related laws in §58.5; and 5–15 unit new construction, office-to-residential conversions, infill projects on five acres or less, and voluntary floodplain buyouts become categorically excluded subject to §58.5. There is no fixed deadline for the §206 rule, but HUD must report annually for five years starting two years after enactment. Separately, §501(l) writes HOME-specific exemptions directly into statute and §103 exempts USDA infill housing from environmental study. (Sec. 103, 205, 206, 501)

Q12 Does the Act override local zoning?

No. Nothing in the Act preempts state or local land-use authority. Section 107 requires HUD to publish guidelines and best practices for state and local zoning frameworks (parking minimums, height and floor-area limits, ADUs, by-right multiplexes, transit-oriented development, impact fees, and so on) after a task force and public comment —

draft within two years, final within three — and expressly bars HUD from taking adverse action against jurisdictions that do not adopt them. Section 208's Innovation Fund and §213's Build Now Act reward jurisdictions that grow housing supply, but they are incentives, not mandates, and §208 says it does not preempt local zoning. (Sec. 107, 208, 213)

Watch-outs

- Funding is the catch: the House FY2027 THUD bill kept CDBG flat at $3.3 billion, cut HOME to $500 million, and had no line for the Innovation Fund, planning grants, pattern books, RESIDE, or single-stair pilots; the Senate bill had not been released as of late August 2026.
- Build Now start year: §213(e)(2) says the adjustments "shall take effect beginning with the third full fiscal year after the date of enactment." Counting from a July 11, 2026 enactment (FY2026), that is FY2029, which begins October 1, 2028 — the reading this hub uses. Some summaries say FY2030, and no HUD document has taken a position, so treat the year as unsettled until HUD publishes its reading.
- The House-passed requirement to report on 22 categories of land-use policy was dropped; the only land-use mandate left is the public-land database.
- Build Now applies to entitlement grantees only — states and non-entitlement communities are not covered — and NACo estimates most entitlement counties would likely be exempt.
- HUD staffing: Urban Institute counts at least 35 new HUD duties with no added money for staffing after a 24% FY2026 cut, so expect slow NOFOs and rules.

Where to point people

Full guide, sources and tracker: **aihousers.com/road-to-housing/for/local-government**

H.R. 6644 — Enrolled bill text (21st Century ROAD to Housing Act) — GovInfo (GPO)
https://www.govinfo.gov/content/pkg/BILLS-119hr6644enr/html/BILLS-119hr6644enr.htm

BPC — What's in the 21st Century ROAD to Housing Act? — Bipartisan Policy Center
https://bipartisanpolicy.org/explainer/whats-in-the-21st-century-road-to-housing-act/

BPC — 21st Century ROAD to Housing Act Implementation Tracker — Bipartisan Policy Center
https://bipartisanpolicy.org/hub/21st-century-road-to-housing-act-implementation-tracker/

Fact sheet — housing supply — Senate Banking Committee
https://www.banking.senate.gov/imo/media/doc/road_supply.pdf

HUD notice on the CDBG-DR allocation formula (Docket FR-6337-N-02) — HUD / Federal Register
https://www.federalregister.gov/documents/2026/08/13/2026-16499/notice-on-community-development-block-grant-disaster-recovery-cdbg-dr-formula