TALKING POINTS & Q&A

The 21st Century ROAD to Housing Act

For Rural & Tribal Housing

Prepared for your board or tribal council · **[Agency Name]** · **[Presenter]** (Executive Director / Housing Director) · **[Date]**

SAY THIS IN 60 SECONDS

Section 502 permanently preserves rental assistance in maturing USDA Section 515 properties, opens Section 504 repair loans to low-income homeowners with promissory-note-only security up to $15,000, and modernizes 502 loans; tribes gain eligibility across several programs but there is no NAHASDA reauthorization.

For rural housing, Section 502 (the Rural Housing Service Reform Act) is the headline. It creates a permanent Housing Preservation and Revitalization program (new Housing Act Section 545) with annual maturing-loan notices to owners and two-year notices to tenants, loan restructuring tools, 20-year rental-assistance renewals, and — when restructuring is infeasible — decoupled rental assistance for 20 years even after the loan pays off. It opens Section 504 repair loans to low-income (not only very-low-income) homeowners and lets repair loans under $15,000 — up from $7,500 — be secured by a promissory note alone (Section 504 grant maximums are set administratively by USDA and are unchanged by the Act), lets 502 direct loans be modified or refinanced up to 40 years, releases original borrowers on guaranteed-loan assumptions, allows ADU rental income and home child-care businesses under 502 guarantees, codifies the Rural Community Development Initiative, extends rural vouchers to households in matured properties, and raises the share of each State's Section 515 loan funds set aside for eligible nonprofit borrowers from 9% to 25%.

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. 502 **Rural Housing Service Reform Act.** A broad update of USDA Rural Housing Service programs. Its centerpiece permanently establishes the Housing Preservation and Revitalization program (new Housing Act of 1949 §545) and lets USDA keep Section 521 rental assistance in place — for 20-year terms…

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. 802 **Streamlining Rural Housing Act.** Targets the double environmental reviews and duplicate inspections that slow projects funded by both HUD and USDA.

Sec. 405 **Choice in Affordable Housing Act.** Streamlines Housing Choice Voucher inspections. A unit in a LIHTC, HOME-assisted, or USDA Rural Housing Service-assisted property that passed a physical inspection in the prior 12 months is deemed to meet HCV inspection requirements if the PHA can obtain the results…

Sec. 209 **Accelerating Home Building Act.** Authorizes HUD grants to local governments, municipal membership organizations, and Tribes to select pre-reviewed designs — "pattern books" — for small mixed-income housing types of up to 25 units (ADUs, duplexes through fourplexes, cottage courts, townhouses…

Sec. 304 **PRICE Act.** Codifies HUD's PRICE program as new Section 123 of the Housing and Community Development Act, captioned "Preservation and Reinvestment for Community Enhancement" (HUD's administrative name for the program does include "Initiative"): competitive grants, subject to appropriations…

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 does §405 change about Housing Choice Voucher inspections?

Three things. First, a unit in a LIHTC building, a HOME-assisted unit, or a USDA Rural Housing Service-assisted unit is deemed to meet HCV inspection requirements if it was physically inspected and passed under that program in the preceding 12 months and the PHA can obtain the results. Second, HUD may allow remote or video inspections for units in rural or small areas if the inspection is thorough and does not misrepresent the unit. Third, a "new landlord" (one who has never had a HAP contract) can ask the PHA to inspect a unit before a family selects it; a pass counts as the initial inspection if a lease is signed within 60 days, and PHAs must give each newly selected family a list of those pre-inspected units. These changes are self-executing but PHAs will want HUD guidance and administrative-plan updates; no PIH notice had issued as of mid-August 2026. (Sec. 405)

Q8 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)

Q9 What does §301 change for manufactured housing, and what must states do?

Section 301 redefines "manufactured home" as one built "with or without a permanent chassis," ending the decades-old requirement that HUD Code homes sit on a permanent steel chassis. HUD, working with the Manufactured Housing Consensus Committee, must issue construction standards for chassis-free homes with a distinct label, data plate, and invoice notation. States must certify to HUD within one year (two years for states whose legislatures meet every other year) that state law treats chassis-free homes on par with other manufactured homes for financing, titling, insurance, taxes, and installation — and recertify annually; in a state that does not certify, chassis-free homes built after enactment may not be manufactured, installed, or sold. The section also says no federal manufactured-home energy standard has legal effect unless HUD adopts it, and directs HUD to adopt minimum energy standards within one year and update them at least every three years. HUD had separately proposed a narrower chassis rule on June 12, 2026; how it will reconcile that proposal with §301 is not yet known. (Sec. 301)

Q10 What does the Rural Housing Service Reform Act (§502) do for rural housing?

Section 502 is the largest people-facing section. It permanently establishes USDA's multifamily preservation and revitalization program (new Housing Act §545), including required notices to owners and tenants before Section 515 loans mature, 20-year rental-assistance renewals, and permanent authority to "decouple" Section 521 rental assistance from a maturing 514/515 loan on a 20-year contract subject to appropriations. It opens Section 504 home-repair loans to low-income (not only very-low-income) applicants and lets repair loans under $15,000 (up from $7,500) be secured by a promissory note alone — grant maximums are set administratively by USDA and are unchanged by the Act. It codifies the Rural Community Development Initiative, expands rural voucher eligibility to households in prepaid, foreclosed, or matured properties, lets Section 502 direct loans be modified out to 40 years, releases original borrowers when guaranteed loans are assumed, lets ADU rental income count for guaranteed loans, and requires USDA to allow home-based licensed child care under the guaranteed program. USDA must publish an advance notice of proposed rulemaking on the preservation program within 180 days and an interim final rule within one year, and report on 90-day application timeliness starting about October 9, 2026. (Sec. 502)

Watch-outs

- No tribal title, no NAHASDA reauthorization, no Section 184 changes; NAIHC is pushing the separate NAHASDA Modernization Act.
- USDA staffing and IT: Section 502(c)–(d) lets USDA use appropriated funds for staffing and systems, but no amount is authorized; a GAO report on RHS technology is due within a year.

- RA renewals and decoupling are "subject to annual appropriations" — the authority is permanent, the money is not.
- A Senate provision setting aside 60% of certain rural funds for very-low-income households was dropped in the final text.
- Section 207 planning grants list states, insular areas, metro cities, urban counties and regional planning agencies — not tribes — as eligible entities.

Where to point people

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

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/

NLIHC — 21st Century ROAD to Housing Act: Impacts on Low-Income Households (July 2026) — National Low Income Housing Coalition
https://nlihc.org/sites/default/files/ROAD_Impacts_071026.pdf

Fact sheet — families, veterans, rural communities — Senate Banking Committee
https://www.banking.senate.gov/imo/media/doc/road_families_vets_rural.pdf

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