

119TH CONGRESS
1ST SESSION

H. R. 5651

To establish a waiver program to allow for ZIP Code localization area median income calculations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 30, 2025

Mr. NEGUSE introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To establish a waiver program to allow for ZIP Code localization area median income calculations, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Affordability and Fair-
5 ness for Mountain Communities Act of 2025”.

6 **SEC. 2. WAIVER PROGRAM FOR ZIP CODE LOCALIZATION**
7 **OF AREA MEDIAN INCOME CALCULATIONS.**

8 (a) IN GENERAL.—Not later than 90 days after the
9 date of enactment of this Act, the Secretary of Housing
10 and Urban Development shall establish a waiver program

1 to be known as the Area Median Income Localization
2 Waiver (in this Act referred to as the “waiver program”).

3 (b) THE WAIVER PROGRAM.—The waiver program
4 established by the Secretary pursuant to subsection (a)
5 shall allow a county government, or corresponding func-
6 tional unit of government, to calculate area median income
7 for covered programs using—

8 (1) a ZIP Code as the area for calculation; and

9 (2) a group of counties that each share a bor-
10 der with such county as the area for calculation.

11 (c) APPLICATION.—A county government, or a cor-
12 responding functional unit of government, may apply to
13 participate in the waiver program by submitting an appli-
14 cation to the Secretary at such time and in such manner
15 as the Secretary may reasonably require.

16 (d) SELECTION.—The Secretary shall grant a waiver
17 to each county government, or corresponding functional
18 unit of government, that submits an application pursuant
19 to subsection (c).

20 (e) USE OF WAIVER.—A county government, or cor-
21 responding functional unit of government, that receives a
22 waiver under subsection (d) may, with respect to a covered
23 program, calculate area median income using—

24 (1) a ZIP Code as the area for calculation;

1 (2) a group of counties that each share a bor-
2 der with such county as the area for calculation; or

3 (3) the original means for calculation provided
4 by law for the program.

5 (f) COVERED PROGRAM DEFINED.—In this section,
6 the term “covered program” means the following pro-
7 grams administered by the Secretary of Housing and
8 Urban Development or the Secretary of Agriculture:

9 (1) The public housing program under the
10 United States Housing Act of 1937 (42 U.S.C. 1437
11 et seq.).

12 (2) The program for rental assistance under
13 section 8 of the United States Housing Act of 1937
14 (42 U.S.C. 1437f).

15 (3) The HOME Investment Partnerships pro-
16 gram under title II of the Cranton-Gonzalez Na-
17 tional Affordable Housing Act (42 U.S.C. 12721 et
18 seq.).

19 (4) The programs under Title IV of the McKin-
20 ney-Vento Homeless Assistance Act (42 U.S.C.
21 11360 et seq.).

22 (5) The Housing Trust Fund program under
23 section 1338 of the Housing and Community Devel-
24 opment Act of 1992 (12 U.S.C. 4568).

1 (6) The program for supportive housing for the
2 elderly under section 202 of the Housing Act of
3 1959 (12 U.S.C. 1701q).

4 (7) The program for supportive housing for
5 persons with disabilities under section 811 of the
6 Cranston-Gonzalez National Affordable Housing Act
7 (42 U.S.C. 8013).

8 (8) The AIDS Housing Opportunities program
9 under subtitle D of title VIII of the Cranston-Gon-
10 zalez National Affordable Housing Act (42 U.S.C.
11 12901 et seq.).

12 (9) The program for Native American housing
13 under the Native American Housing Assistance and
14 Self-Determination Act of 1996 (25 U.S.C. 4101 et
15 seq.).

16 (10) The program for housing assistance for
17 Native Hawaiians under title VIII of the Native
18 American Housing Assistance and Self-Determina-
19 tion Act of 1996 (25 U.S.C. 4221 et seq.).

20 (11) The programs for assistance for rural
21 rental housing under title V of the Housing Act of
22 1949 (42 U.S.C. 1471 et seq.).

1 **SEC. 3. ASSESSMENT REGARDING OPTIMIZING USE OF**
2 **AREA MEDIAN INCOME TO SUPPORT AFFORD-**
3 **ABLE HOUSING IN MOUNTAIN COMMUNITIES.**

4 (a) IN GENERAL.—The Secretary shall conduct a
5 study designed to—

6 (1) identify—

7 (A) alternative methods for calculating
8 area median income; and

9 (B) alternative metrics that would make
10 housing more affordable for low-income families
11 residing in mountain communities; and

12 (2) evaluate how factoring roommates into area
13 median income calculations for seasonal workers
14 would impact housing assistance.

15 (b) REPORT.—

16 (1) IN GENERAL.—The Secretary of Housing
17 and Urban Development shall, not later than 2 years
18 after the date of the enactment of this Act, submit
19 to the Committee on Financial Services of the House
20 of Representatives and the Committee on Banking,
21 Housing, and Urban Affairs of the Senate, and
22 make publicly available, a report that describes the
23 findings of the study conducted pursuant to sub-
24 section (a).

25 (2) REPORT CONTENTS.—The report submitted
26 pursuant to subparagraph (1) shall include—

1 (A) a summary of all significant findings;

2 (B) recommendations found in any prior
3 reports about the use of area median income;

4 (C) an assessment of the extent and im-
5 pacts of the affordable housing crisis in moun-
6 tain communities nationwide, particularly with-
7 in jurisdictions for which the Secretary has ap-
8 plied a high housing cost adjustment, including
9 a comparison of rent burdens for very low-in-
10 come households and seasonal workers in juris-
11 dictions with and without high housing cost ad-
12 justments;

13 (D) an assessment of the effects that high
14 housing cost adjustments have had on income
15 limits and rent prices in mountain communities
16 for which the Secretary has applied such an ad-
17 justment, including any effects on maximum
18 rents allowed under sections 42 and 142 of the
19 Internal Revenue Code of 1986 for tax-sub-
20 sidized units;

21 (E) recommendations for reforming or
22 eliminating the use of area median income for
23 the purposes of making housing more afford-
24 able for low-income and seasonal workers in
25 mountain communities; and

1 (F) recommendations for using existing
2 authorities of the Secretary to make housing
3 more affordable for low-income and seasonal
4 workers in mountain communities, particularly
5 in areas for which the Secretary has applied a
6 high housing cost adjustment.

7 **SEC. 4. DEFINITIONS.**

8 In this Act:

9 (1) **AREA MEDIAN INCOME.**—The term “area
10 median income” means median income for an area,
11 as such term is used in section 3(b) of the United
12 States Housing Act of 1937 (42 U.S.C. 1437a(b)),
13 median family income, and any other substantively
14 similar metric that the Secretary uses to refer to the
15 median income level for a given area or jurisdiction
16 for purposes of any program administered by the
17 Secretary.

18 (2) **HIGH HOUSING COST ADJUSTMENT.**—The
19 term “high housing cost adjustment” is an adjust-
20 ment for high housing costs, high construction costs,
21 or high costs of living, or any substantively similar
22 adjustment that the Secretary may use to increase
23 income limits for areas where the cost of housing is
24 abnormally high compared to the median income for
25 such area.

1 (3) SECRETARY.—The term “Secretary” means
2 the Secretary of Housing and Urban Development.

3 (4) MOUNTAIN COMMUNITIES.—The term
4 “mountain communities” means any rural area, as
5 defined in section 1490 of title 42, United States
6 Code, located in the Mountain Division within the
7 Census Bureau’s Western Region.

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