

119TH CONGRESS
1ST SESSION

H. R. 5798

To amend the Cranston-Gonzalez National Affordable Housing Act to encourage expansion of the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 21, 2025

Mr. FLOOD (for himself and Mr. CLEAVER) introduced the following bill;
which was referred to the Committee on Financial Services

A BILL

To amend the Cranston-Gonzalez National Affordable Housing Act to encourage expansion of the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing, 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 “HOME Reform Act
5 of 2025”.

1 **SEC. 2. DEFINITIONS; ASSISTANCE FOR LOW-INCOME FAMI-**
2 **LIES.**

3 (a) DEFINITIONS.—Section 104 of the Cranston-
4 Gonzalez National Affordable Housing Act (42 U.S.C.
5 12704) is amended—

6 (1) in paragraph (6)(B), by striking “signifi-
7 cant”; and

8 (2) by adding at end the following new para-
9 graph:

10 “(26) The term ‘infill housing project’ means a
11 residential housing project that—

12 “(A) is located within the geographic limits
13 of a municipality;

14 “(B) is adequately served by existing utili-
15 ties and public services as required under appli-
16 cable law;

17 “(C) is located on a site of previously dis-
18 turbed land of not more than 5 acres; and

19 “(D) is substantially surrounded by resi-
20 dential or commercial development, as deter-
21 mined by the Secretary.”.

22 (b) ASSISTANCE FOR LOW-INCOME FAMILIES.—Title
23 II of the Cranston-Gonzalez National Affordable Housing
24 Act (42 U.S.C. 12721 et seq.) is amended—

25 (1) in section 214(2), by striking “households
26 that qualify as low-income families” and inserting

1 “families with a household income that does not ex-
2 ceed 100 percent of the median family income of the
3 area, as determined by the Secretary with adjust-
4 ments for smaller and larger families”;

5 (2) in section 215—

6 (A) in subsection (b)(2), by striking
7 “whose family qualifies as a low-income family”
8 and inserting “with a family income that does
9 not exceed 100 percent of the median family in-
10 come of the area as determined by the Sec-
11 retary with adjustments for smaller and larger
12 families”; and

13 (B) in subsection (b)(3)(A)(ii), by striking
14 “low-income homebuyers” and inserting “home-
15 buyers with a household income that does not
16 exceed 100 percent of the median family income
17 of the area, as determined by the Secretary
18 with adjustments for smaller and larger fami-
19 lies”; and

20 (3) in section 271(c)—

21 (A) in paragraph (1)(B), by striking “low-
22 income” and inserting “families with a house-
23 hold income that does not exceed 100 percent
24 of the median family income of the area as de-

1 terminated by the Secretary with adjustments for
2 smaller and larger families”; and

3 (B) in paragraph (2)(A), by striking “low-
4 income families” and inserting “families with a
5 household income that does not exceed 100 per-
6 cent of the median family income of the area as
7 determined by the Secretary with adjustments
8 for smaller and larger families”.

9 **SEC. 3. CHOICES MADE BY PARTICIPATING JURISDICTIONS.**

10 Section 212(a)(2) of the Cranston-Gonzalez National
11 Affordable Housing Act (42 U.S.C. 12742) is amended to
12 read as follows:

13 “(2) LIMITATION ON RESTRICTIONS.—The Sec-
14 retary shall not restrict a participating jurisdiction’s
15 choice of rehabilitation, substantial rehabilitation,
16 new construction, reconstruction, acquisition, or
17 other eligible housing use unless such restriction is
18 explicitly authorized under section 223(2).”.

19 **SEC. 4. USE OF AMOUNTS BY CERTAIN JURISDICTIONS FOR**
20 **INFRASTRUCTURE IMPROVEMENTS.**

21 (a) USE OF INVESTMENTS FOR HOUSING USES.—

22 (1) IN GENERAL.—Section 212(a) of the Cran-
23 ston-Gonzalez National Affordable Housing Act (42
24 U.S.C. 12742(a)) is amended by inserting after
25 paragraph (3) the following new paragraph:

1 “(4) INFRASTRUCTURE IMPROVEMENTS IN
2 NONENTITLEMENT AREAS.—In accordance with reg-
3 ulations to be issued by the Secretary, funds pro-
4 vided under this subtitle may be used for infrastruc-
5 ture improvements, including the installation or re-
6 pair of water and sewer lines, sidewalks, roads, and
7 utility connections, in any jurisdiction that does not
8 receive assistance under title I of the Housing and
9 Community Development Act of 1974, if such im-
10 provements are directly related to, and located with-
11 in or immediately adjacent to—

12 “(A) housing assisted under this subtitle;

13 or

14 “(B) housing assisted by section 42 of the
15 Internal Revenue Code of 1986.”.

16 (2) ISSUANCE OF RULES.—Not later than 1
17 year after the date of the enactment of this Act, the
18 Secretary shall issue such rules as the Secretary de-
19 termines necessary to carry out the amendment
20 made by paragraph (1).

21 (3) RULE OF CONSTRUCTION.—Nothing in the
22 amendment made by paragraph (1) shall be con-
23 strued to impose any requirements of the HOME In-
24 vestment Partnerships program on housing that ben-
25 efits from the infrastructure improvements described

1 in such amendment but otherwise does not receive
 2 any assistance from such program.

3 (b) PER UNIT INVESTMENT LIMITATIONS.—Section
 4 212(e)(1) of the Cranston-Gonzalez National Affordable
 5 Housing Act (42 U.S.C. 12742(e)(1)) is amended by strik-
 6 ing the second sentence.

7 **SEC. 5. AFFORDABLE RENTAL HOUSING QUALIFICATIONS.**

8 Section 215(a) of the Cranston-Gonzalez National
 9 Affordable Housing Act (42 U.S.C. 12745(a)) is amended
 10 by adding at the end the following new paragraph:

11 “(7) EXCEPTION FOR HOUSING CHOICE VOUCH-
 12 ERS.—Notwithstanding paragraph (1)(A), a rental
 13 unit shall be considered to qualify as affordable
 14 housing under this title if—

15 “(A) the unit is occupied by a tenant re-
 16 ceiving tenant-based rental assistance under
 17 section 8 of the United States Housing Act of
 18 1937 (42 U.S.C. 1437f);

19 “(B) the tenant’s contribution toward rent
 20 does not exceed the amount permitted under
 21 such section 8 assistance; and

22 “(C) the total rent for the unit does not
 23 exceed the amount approved by the public hous-
 24 ing agency administering the assistance under
 25 that program.”.

1 **SEC. 6. AFFORDABLE HOMEOWNERSHIP HOUSING QUALI-**
2 **FICATIONS.**

3 Section 215 of the Cranston-Gonzalez National Af-
4 fordable Housing Act (42 U.S.C. 12745(b)) is amended—

5 (1) in subsection (b),

6 (A) in paragraph (1), by striking “95 per-
7 cent” and inserting “110 percent”;

8 (B) in paragraph (3)—

9 (i) in subparagraph (A)(ii), by strik-
10 ing “or” at the end;

11 (ii) in subparagraph (B), by striking
12 “and” at the end and inserting “or”; and

13 (iii) by adding at the end the fol-
14 lowing new subparagraph:

15 “(C) maintain long-term affordability
16 through a shared equity ownership model, a
17 community land trust, a limited equity coopera-
18 tive, a community development corporation, or
19 other mechanism approved by the Secretary,
20 that preserves affordability for future eligible
21 homebuyers and ensures compliance with the
22 purposes of this title, including through the use
23 of purchase options, rights of first refusal, or
24 other preemptive rights to purchase housing;
25 and”;

26 (2) by adding at the end the following:

1 “(c) PERMISSIBLE EXCEPTIONS RELATED TO HOME-
2 OWNERSHIP QUALIFICATIONS.—

3 “(1) MILITARY MEMBERS.—A participating ju-
4 risdiction, in accordance with terms established by
5 the Secretary, may suspend or waive the income
6 qualifications described in subsection (b)(2) with re-
7 spect to housing that otherwise meets the criteria
8 under subsection (b) if the owner of the housing—

9 “(A) is a member of a regular component
10 of the Armed Forces or a member of the Na-
11 tional Guard on full-time National Guard duty,
12 active Guard and Reserve duty, or inactive-duty
13 training (as those terms are defined in section
14 101(d) of title 10, United States Code); and

15 “(B) has received—

16 “(i) temporary duty orders to deploy
17 with a military unit or military orders to
18 deploy as an individual acting in support of
19 a military operation, to a location that is
20 not within a reasonable distance from the
21 housing, as determined by the Secretary,
22 for a period of not less than 90 days; or

23 “(ii) orders for a permanent change of
24 station.

1 “(2) SUSPENSION OR WAIVER OF REQUIRE-
2 MENTS FOR HEIR OR BENEFICIARY OF DECEASED
3 OWNER.—Notwithstanding subsection (b)(3), hous-
4 ing that meets the criteria under that subsection
5 prior to the death of an owner may continue to qual-
6 ify as affordable housing if—

7 “(A) the housing is the principal residence
8 of an heir or beneficiary of the deceased owner,
9 as defined by the Secretary; and

10 “(B) the heir or beneficiary, in accordance
11 with terms established by the Secretary, as-
12 sumes the duties and obligations of the de-
13 ceased owner with respect to funds provided
14 under this title.”.

15 **SEC. 7. REMOVAL OF EXPIRATION OF RIGHT TO DRAW**
16 **HOME INVESTMENT TRUST FUNDS.**

17 Section 218 of the Cranston-Gonzalez National Af-
18 fordable Housing Act (42 U.S.C. 12748) is amended—

19 (1) by striking subsection (g); and

20 (2) by redesignating subsection (h) as sub-
21 section (g).

1 **SEC. 8. ADJUSTED RECAPTURE AND REUSE OF SET-ASIDE**
2 **FOR COMMUNITY HOUSING DEVELOPMENTAL**
3 **ORGANIZATIONS.**

4 Section 231(b) of the Cranston-Gonzalez National
5 Affordable Housing Act (42 U.S.C. 12771(b)) is amended
6 to read as follows:

7 “(b) RECAPTURE AND REUSE.—If any funds re-
8 served under subsection (a) remain uninvested for a period
9 of 24 months, the Secretary shall make such funds avail-
10 able to the participating jurisdiction for any eligible activi-
11 ties under this title without regard to whether a commu-
12 nity housing development organization materially partici-
13 pates in the use of funds.”.

14 **SEC. 9. ASSET RECYCLING INFORMATION DISSEMINATION**
15 **EXPANSION.**

16 Section 245(b)(2) of the Cranston-Gonzalez National
17 Affordable Housing Act (42 U.S.C. 12785(b)(2)) is
18 amended by striking “95 percent” and inserting “110 per-
19 cent”.

20 **SEC. 10. SMALL-PROJECT EXEMPTION TO LABOR REQUIRE-**
21 **MENTS EXPANSION.**

22 Section 286(a) of the Cranston-Gonzalez National
23 Affordable Housing Act (42 U.S.C. 12836(a)) is amended
24 by striking “12 or more units” and inserting “24 or more
25 units”.

1 **SEC. 11. ENVIRONMENTAL REVIEW REQUIREMENTS.**

2 (a) CATEGORICAL EXEMPTIONS; REMOVING DUPLI-
3 CATIVE REVIEWS.—Section 288 of the Cranston-Gonzalez
4 National Affordable Housing Act (42 U.S.C. 12838) is
5 amended by adding at the end the following new sub-
6 sections:

7 “(e) CATEGORICAL EXEMPTIONS.—The following
8 categories of activities carried out under this title shall
9 be statutorily exempt from environmental review under the
10 National Environmental Policy Act of 1969 (42 U.S.C.
11 4321 et seq.), and shall not require further review under
12 such Act—

13 “(1) new construction infill housing projects;

14 “(2) acquisition of real property for affordable
15 housing purposes;

16 “(3) rehabilitation projects carried out pursuant
17 to section 212(a)(1); and

18 “(4) new construction projects of 15 units or
19 less.

20 “(f) REMOVING DUPLICATIVE REVIEWS.—

21 “(1) IN GENERAL.—To the extent practicable
22 and permitted by law, the Secretary shall ensure
23 that a project that has undergone an environmental
24 review under this section shall not be subject to a
25 duplicative environmental review solely due to the
26 addition, substitution, or reallocation of other

1 sources of Federal assistance, if the scope, scale, and
2 location of the project remain substantially un-
3 changed.

4 “(2) COORDINATION OF ENVIRONMENTAL RE-
5 VIEW RESPONSIBILITIES.—The Secretary shall, by
6 regulation, provide for coordination of environmental
7 review responsibilities with other Federal agencies to
8 streamline inter-agency compliance and avoid unnec-
9 essary duplication of effort under the National Envi-
10 ronmental Policy Act of 1969 (42 U.S.C. 4321 et
11 seq.) and other applicable laws.

12 “(3) RECOGNITION OF PRIOR REVIEWS BY RE-
13 SPONSIBLE ENTITIES.—A project may not be subject
14 to an environmental review under this section if a
15 substantially similar review has already been com-
16 pleted by an entity designated under section
17 104(g)(1) of the Housing and Community Develop-
18 ment Act of 1974 (42 U.S.C. 5304(g)(1)) or by an-
19 other entity the Secretary determines to have equiv-
20 alent authority, if the scope, scale, and location of
21 the project remain substantially unchanged.”.

22 (b) ISSUANCE OF RULES.—Not later than 1 year
23 after the date of the enactment of this Act, the Secretary
24 shall issue such rules as the Secretary determines nec-

1 essary to carry out the amendment made by this sub-
2 section.

3 **SEC. 12. APPLICATION OF OTHER SPECIFIED STATUTORY**
4 **REQUIREMENTS.**

5 Title II of the Cranston-Gonzalez National Affordable
6 Housing Act (42 U.S.C. 12721 et seq.) is amended by
7 adding at the end the following new sections:

8 **“SEC. 291. APPLICATION OF BUILD AMERICA, BUY AMERICA**
9 **REQUIREMENTS.**

10 “The Build America, Buy America Act (41 U.S.C.
11 8301 note; subtitle A of title IX of Public Law 117–58),
12 and any implementing regulations or guidance, shall not
13 apply to activities assisted under this title.

14 **“SEC. 292. NONAPPLICABILITY OF CERTAIN REQUIRE-**
15 **MENTS FOR SMALL PROJECTS.**

16 “Notwithstanding any other provision of law, the re-
17 quirements of section 3 of the Housing and Urban Devel-
18 opment Act of 1968 (12 U.S.C. 1701u), and any imple-
19 menting regulations or guidance, shall not apply to any
20 activity assisted under title that involves rehabilitation,
21 construction, or other development of housing if the total
22 number of dwelling units assisted under the activity is 50
23 or fewer and if such assistance is provided to—

24 “(1) a State recipient pursuant to section 216;
25 or

1 “(2) a participating jurisdiction that received a
2 total allocation of less than \$3,000,000 in the most
3 recent fiscal year pursuant to section 216.”.

4 **SEC. 13. TECHNICAL AMENDMENTS.**

5 The Cranston-Gonzalez National Affordable Housing
6 Act (42 U.S.C. 12701 et seq.) is amended—

7 (1) by striking “Stewart B. McKinney Home-
8 less Assistance Act” each place it appears and in-
9 serting “McKinney-Vento Homeless Assistance Act”;
10 and

11 (2) by striking “Committee on Banking, Fi-
12 nance and Urban Affairs” each place it appears and
13 inserting “Committee on Financial Services”.

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