



July 16, 2025

The Honorable Mike Flood  
Chairman, House Financial Services  
Subcommittee on Housing and Insurance  
343 Cannon House Office Building  
United States House of Representatives  
Washington, DC 20515

The Honorable Emanuel Cleaver  
Ranking Member, House Financial Services  
Subcommittee on Housing and Insurance  
2217 Rayburn House Office Building  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Flood and Ranking Member Cleaver:

The National Multifamily Housing Council (NMHC) and National Apartment Association (NAA) write to submit a statement for the record for the House Financial Services Subcommittee on Housing and Insurance hearing, HOME 2.0: Modern Solutions to the Housing Shortage. We greatly appreciate the opportunity to provide input on a potential reauthorization of Department of Housing and Urban Development's (HUD) Home Investment Partnership Program (HOME) and on Chairman Flood's proposed HOME Reform Act of 2025.

HOME remains a vital tool for increasing the supply of affordable housing nationwide. HOME funds frequently provide critical gap financing for affordable rental housing developed under the Low-Income Housing Tax Credit (LIHTC) and other federal, state, and local initiatives. However, burdensome compliance and reporting requirements that can be difficult for operators of all sizes to navigate significantly diminish the program's overall effectiveness. Reform efforts should prioritize streamlining the program to reduce its overall administrative burden and promoting the efficient use of HOME funds to encourage simplification at the state and local levels. We believe that Chairman Flood's proposed bill, the HOME Reform Act of 2025, addresses many of these priorities. Specifically:

- Section 2 would expand income eligibility for HOME funds. Driven by operating and development costs, rents are increasingly stressing workforce households. This imbalance discourages the development of this important band of the housing market. By allowing subsidy to cover this income bracket, this bill would help reverse that market dynamic and encourage development of more workforce rental housing, which is sorely needed in communities across the nation.
- Section 4 would allow HOME funds to support infrastructure improvements as well as housing. Currently, HOME recipients would have to seek funding from other sources to cover necessary infrastructure improvements related to their projects. This extra effort increases development costs. However, if individual projects can access more funds from one source, this would reduce the cost and increase the speed of affordable housing development.
- Section 9 would expand the exemption to Davis-Bacon for affordable housing developments up to 50 units. This would help smaller developers navigate the sometimes-disruptive affordable housing development process under Davis-Bacon and encourage more development of this critical housing resource.

- Section 10 would reduce redundant National Environment Policy Act (NEPA) reviews. This would reduce costs and delays for affordable housing development and help increase the supply of affordable housing.
- Section 11 would exempt HOME from Build America, Buy American Act (BABA) requirements. This would assist affordable housing developers to get the best prices for necessary building materials, thereby reducing development costs for and encouraging the development of critically needed affordable housing.

Going further, we also encourage you to expand the bill to help state and local governments learn to reduce their own barriers and leverage this Federal grant's influence with State and local to encourage them to adopt reforms of their own policies and encourage the swift development of affordable and workforce rental housing. Thank you for your leadership in helping to identify and propose ways to address the long-standing problem of housing affordability across the country through reform of HOME. We look forward to working with you on the HOME Reform Act of 2025 and other proposals to spur housing supply to ensure all American households have a safe and decent place to call home.

Sincerely,



Sharon Wilson Géo  
President  
National Multifamily Housing Council



Robert Pinnegar  
President & CEO  
National Apartment Association