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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

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

Mr. FLOOD introduced the following bill; which was referred to the Committee
on _____

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 WORKFORCE-IN-**
2 **COME FAMILIES.**

3 (a) DEFINITIONS.—

4 (1) COMMUNITY HOUSING DEVELOPMENT OR-
5 GANIZATION.—Section 104(6)(B) of the Cranston-
6 Gonzalez National Affordable Housing Act (42
7 U.S.C. 12704(6)(B)) is amended—

8 (A) by striking “, through significant rep-
9 resentation on the organization’s governing
10 board and otherwise,”; and

11 (B) by striking “low-income” each place it
12 appears and inserting “low-income and work-
13 force-income”.

14 (2) WORKFORCE-INCOME FAMILIES.—Section
15 104 of the Cranston-Gonzalez National Affordable
16 Housing Act (42 U.S.C. 12704) is amended by add-
17 ing at end the following new paragraph:

18 “(26) The term ‘workforce-income families’
19 means families whose incomes do not exceed 100
20 percent of the median income for the area, as deter-
21 mined by the Secretary with adjustments for smaller
22 and larger families, except that the Secretary may
23 establish income ceilings higher or lower than 100
24 percent of the median income for the area on the
25 basis of the Secretary’s findings that such variations
26 are necessary because of prevailing levels of con-

1 struction costs or fair market rents, or unusually
2 high or low family incomes.”.

3 (b) ASSISTANCE FOR WORKFORCE-INCOME FAMI-
4 LIES.—Title II of the Cranston-Gonzalez National Afford-
5 able Housing Act (42 U.S.C. 12721 et seq.) is amended—

6 (1) in section 203—

7 (A) in paragraph (1), by striking “and
8 low-income” and inserting “, low-income, and
9 workforce-income”; and

10 (B) in paragraph (7), by striking “low-in-
11 come” and inserting “low-income and work-
12 force-income”;

13 (2) in section 214(2), by inserting “or work-
14 force-income” after “low-income”;

15 (3) in section 215—

16 (A) in subsections (a)(1)(C), (b)(2), and
17 (b)(3)(A)(ii), by inserting “or workforce-in-
18 come” after “low-income”; and

19 (B) in subsection (a)(3), in the second sen-
20 tence, by inserting “or workforce-income” after
21 “low-income”; and

22 (4) in section 271(c), in paragraphs (1)(B) and
23 (2)(A), by inserting “or workforce-income” after
24 “low-income”.

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

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

5 “(2) LIMITATION ON RESTRICTIONS.—The Sec-
6 retary shall not restrict a participating jurisdiction’s
7 choice of rehabilitation, substantial rehabilitation,
8 new construction, reconstruction, acquisition, or
9 other eligible housing use unless such restriction is
10 explicitly authorized under section 223(2).”.

11 **SEC. 4. USE OF AMOUNTS BY CERTAIN JURISDICTIONS FOR**
12 **INFRASTRUCTURE IMPROVEMENTS.**

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

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

18 “(4) INFRASTRUCTURE IMPROVEMENTS IN
19 NONENTITLEMENT AREAS.—In accordance with reg-
20 ulations to be issued by the Secretary, funds pro-
21 vided under this subtitle may be used for infrastruc-
22 ture improvements, including the installation or re-
23 pair of water and sewer lines, sidewalks, roads, and
24 utility connections, in any jurisdiction that does not
25 receive assistance under title I of the Housing and
26 Community Development Act of 1974 (42 U.S.C.

1 5301 et seq.), if such improvements are directly re-
2 lated to, and located within or immediately adjacent
3 to—

4 “(A) a housing project assisted under this
5 subtitle; or

6 “(B) a housing project under section 42 of
7 the Internal Revenue Code of 1986.”.

8 (2) ISSUANCE OF RULES.—Not later than 360
9 days after the date of enactment of this Act, the
10 Secretary shall issue such rules as the Secretary de-
11 termines necessary to carry out the amendment
12 made by paragraph (1).

13 (b) PER UNIT INVESTMENT LIMITATIONS.—Section
14 212(e)(1) of the Cranston-Gonzalez National Affordable
15 Housing Act (42 U.S.C. 12742(e)(1)) is amended by strik-
16 ing the second sentence.

17 **SEC. 5. AFFORDABLE HOUSING QUALIFICATIONS.**

18 (a) RENTAL HOUSING.—Section 215(a) of the Cran-
19 ston-Gonzalez National Affordable Housing Act (42
20 U.S.C. 12745(a)) is amended by adding at the end the
21 following new paragraph:

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

1 “(A) the unit is occupied by a tenant re-
2 ceiving tenant-based rental assistance under
3 section 8 of the United States Housing Act of
4 1937 (42 U.S.C. 1437f);

5 “(B) the tenant’s contribution toward rent
6 does not exceed the amount permitted under
7 such section 8 assistance; and

8 “(C) the total rent for the unit does not
9 exceed the amount approved by the public hous-
10 ing agency administering the assistance under
11 that program.”.

12 (b) HOMEOWNERSHIP.—Section 215(b) of the Cran-
13 ston-Gonzalez National Affordable Housing Act (42
14 U.S.C. 12745(b)) is amended—

15 (1) in paragraph (1), by striking “95 percent”
16 and inserting “110 percent”;

17 (2) in paragraph (3)—

18 (A) in subparagraph (A)(ii), by striking
19 “or” at the end;

20 (B) in subparagraph (B), by striking
21 “and” at the end and inserting “or”; and

22 (C) by adding at the end the following new
23 subparagraph:

24 “(C) maintain long-term affordability
25 through a shared equity ownership model, a

1 community land trust, a limited equity coopera-
2 tive, or other mechanism approved by the Sec-
3 retary, that preserves affordability for future el-
4 igible homebuyers and ensures compliance with
5 the purposes of this title; and”.

6 **SEC. 6. DELAYED EXPIRATION OF RIGHT TO DRAW HOME**
7 **INVESTMENT TRUST FUNDS.**

8 Section 218(g) of the Cranston-Gonzalez National
9 Affordable Housing Act (42 U.S.C. 12748(g)) is amended,
10 in the first sentence, by striking “24 months” and insert-
11 ing “36 months”.

12 **SEC. 7. ADJUSTED RECAPTURE AND REUSE OF SET-ASIDE**
13 **FOR COMMUNITY HOUSING DEVELOPMENTAL**
14 **ORGANIZATIONS.**

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

18 “(b) RECAPTURE AND REUSE.—If any funds re-
19 served under subsection (a) remain uninvested for a period
20 of 36 months, the Secretary shall make such funds avail-
21 able to the participating jurisdiction for any eligible activi-
22 ties under this title without regard to whether a commu-
23 nity housing development organization materially partici-
24 pates in the use of funds.”.

1 **SEC. 8. ASSET RECYCLING INFORMATION DISSEMINATION**
2 **EXPANSION.**

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

7 **SEC. 9. SMALL-PROJECT EXEMPTION TO LABOR REQUIRE-**
8 **MENTS EXPANSION.**

9 Section 286(a) of the Cranston-Gonzalez National
10 Affordable Housing Act (42 U.S.C. 12836(a)) is amended
11 by striking “12 or more units” and inserting “50 or more
12 units”.

13 **SEC. 10. ENVIRONMENTAL REVIEW REQUIREMENTS.**

14 (a) CATEGORICAL EXEMPTIONS; REMOVING DUPLI-
15 CATIVE REVIEWS.—Section 288 of the Cranston-Gonzalez
16 National Affordable Housing Act (42 U.S.C. 12838) is
17 amended by adding at the end the following new sub-
18 sections:

19 “(e) CATEGORICAL EXEMPTIONS.—The following
20 categories of activities carried out under this title shall
21 be statutorily exempt from environmental review under the
22 National Environmental Policy Act of 1969 (42 U.S.C.
23 4321 et seq.), and shall not require further review under
24 such Act—

1 “(1) new construction housing units on infill
2 lots with existing developed neighborhoods that are
3 already served by public infrastructure;

4 “(2) acquisition of real property for affordable
5 housing purposes;

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

8 “(4) new construction projects of 20 units or
9 less.

10 “(f) REMOVING DUPLICATIVE REVIEWS.—

11 “(1) IN GENERAL.—To the extent practicable
12 and permitted by law, the Secretary shall ensure
13 that a project that has undergone an environmental
14 review under this section shall not be subject to a
15 duplicative environmental review solely due to the
16 addition, substitution, or reallocation of other
17 sources of Federal assistance, if the scope, scale, and
18 location of the project remain substantially un-
19 changed.

20 “(2) COORDINATION OF ENVIRONMENTAL RE-
21 VIEW RESPONSIBILITIES.—The Secretary shall, by
22 regulation, provide for coordination of environmental
23 review responsibilities with other Federal agencies to
24 streamline inter-agency compliance and avoid unnec-
25 essary duplication of effort under the National Envi-

1 ronmental Policy Act of 1969 (42 U.S.C. 4321 et
2 seq.) and other applicable laws.

3 “(3) RECOGNITION OF PRIOR REVIEWS BY RE-
4 SPONSIBLE ENTITIES.—A project shall not be sub-
5 ject to an environmental review under this section if
6 a substantially similar review has already been com-
7 pleted by an entity designated under section
8 104(g)(1) of the Housing and Community Develop-
9 ment Act of 1974 (42 U.S.C. 5304(g)(1)) or by an-
10 other entity the Secretary determines to have equiv-
11 alent authority, if the scope, scale, and location of
12 the project remain substantially unchanged.”.

13 (b) ISSUANCE OF RULES.—Not later than 360 days
14 after the date of enactment of this Act, the Secretary shall
15 issue such rules as the Secretary determines necessary to
16 carry out the amendment made by this subsection.

17 **SEC. 11. APPLICATION OF OTHER SPECIFIED STATUTORY**
18 **REQUIREMENTS.**

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

22 **“SEC. 291. APPLICATION OF BUILD AMERICA, BUY AMERICA**
23 **REQUIREMENTS.**

24 “The Build America, Buy America Act (41 U.S.C.
25 8301 note; subtitle A of title IX of Public Law 117–58),

1 and any implementing regulations or guidance, shall not
2 apply to activities assisted under this title.

3 **“SEC. 292. NONAPPLICABILITY OF CERTAIN REQUIRE-**
4 **MENTS FOR SMALL PROJECTS.**

5 “Notwithstanding any other provision of law, the re-
6 quirements of section 3 of the Housing and Urban Devel-
7 opment Act of 1968 (12 U.S.C. 1701u), and any imple-
8 menting regulations or guidance, shall not apply to any
9 activity assisted under this title that involves rehabilita-
10 tion, construction, or other development of housing if the
11 total number of dwelling units assisted under the activity
12 is 50 or fewer.”.

13 **SEC. 12. TECHNICAL AMENDMENTS.**

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

16 (1) by striking “Stewart B. McKinney Home-
17 less Assistance Act” each place it appears and in-
18 serting “McKinney-Vento Homeless Assistance Act”;
19 and

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