Washington Update

Tushar Gurjal, Senior Policy Manager

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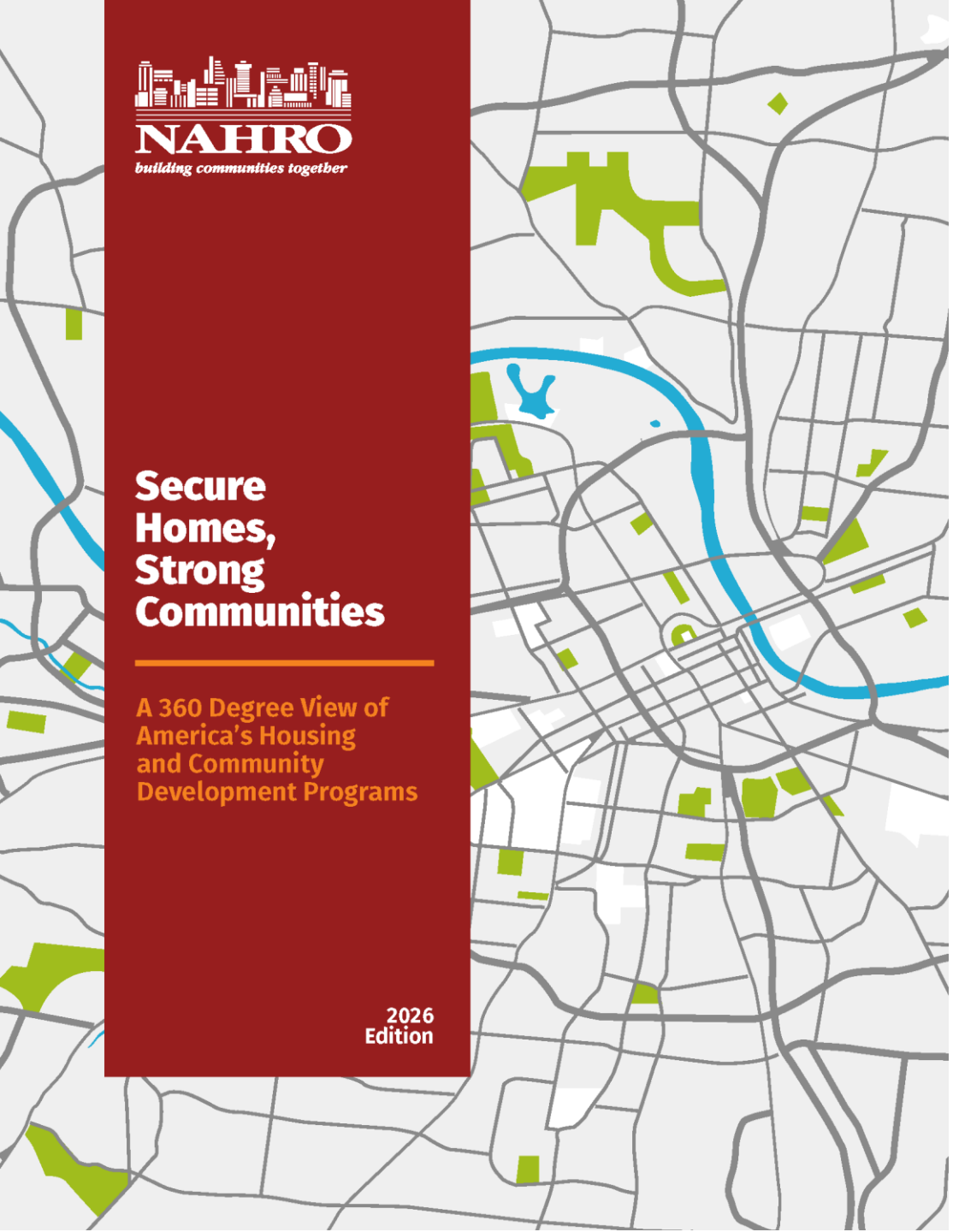
Resources

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NAHRO Votes

Nonpartisan Voter Resources for Housers





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Secure Homes, Strong Communities

A 360 Degree View of America's Housing and Community Development Programs

2026 Edition

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2026 THE POWER OF ASSOCIATIONS PURPOSE. COMMUNITY. IMPACT. asae GOLD AWARD WINNER

Scan the QR code to download the report!



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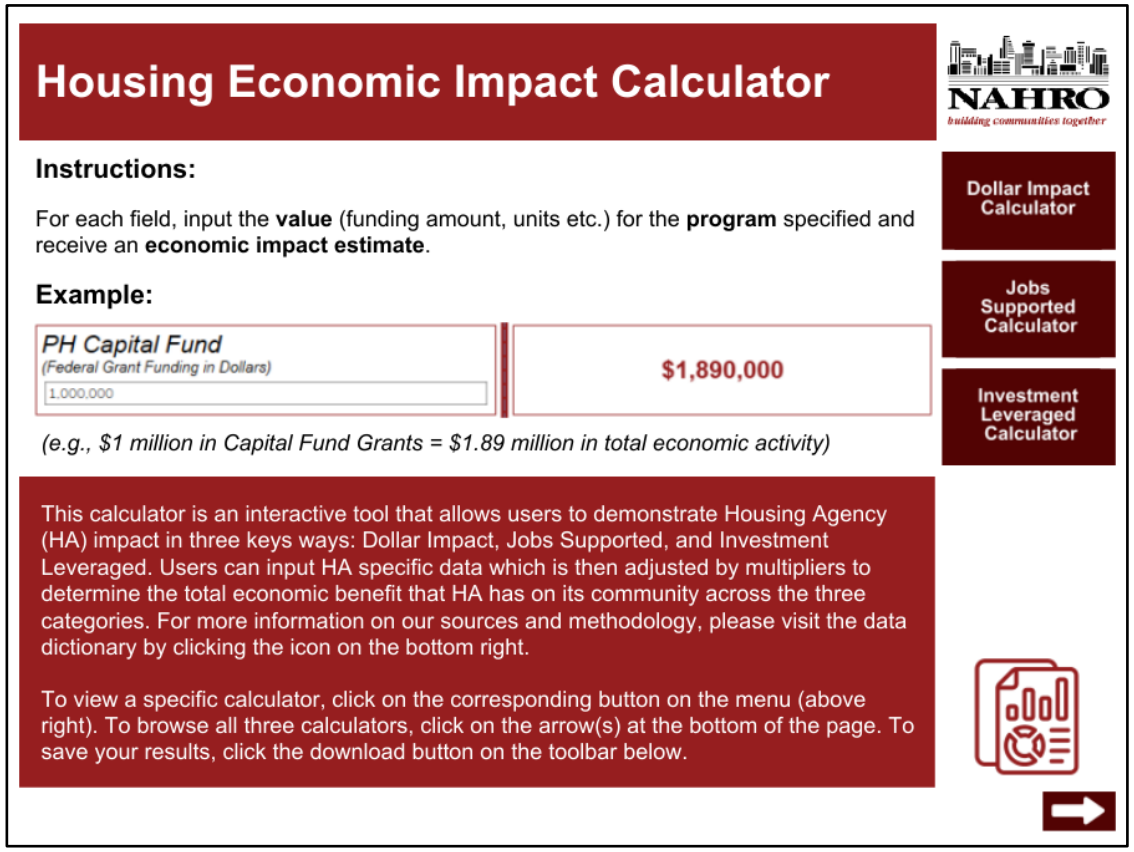
Explore the New Data Dashboard

Interactive State- and Territory-Level Housing Data

Economic Impact Calculator (New!)

Demonstrate the Measurable Impact of Housing Programs at the Agency Level

- Quantifies economic impact across three key indicators: Dollar Impact, Jobs Supported, Investment Leveraged
- Provides customizable estimates tailored to local programs and funding levels
- Supports data-driven advocacy and decision-making
- Multipliers come from various research studies



Congressional Updates

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21st Century ROAD to Housing Act

- Passed into law (a win is a win!)
- Massive package of Housing bills
- Programmatic in nature
- Overwhelmingly bipartisan
- Focused on supply-side issues
- No funding attached



21st Century ROAD to Housing Act Implementation

- 124 federal implementation actions required
- HUD is responsible for 88 of these actions
  - **71% of the total Act**

- Nearly half of the identified actions are due within the first year of enactment
  - Guidance
  - Regulations
  - Program changes



FY 2027 Funding

- Continuing resolution signed into law on September 2
- Continues funding through **December 11**
- Significantly earlier than prior CRs
- Includes important provisions on:
  - TPVs for EHVs
  - Restrictions on implementing to OMB Proposed Rule
- Unclear path for final FY27 prior to the midterms



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2026 Midterm Elections!



Office of Management and Budget (OMB) Proposed Rule

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OMB Proposed Rule

Rule impacts all Federal Financial Assistance

NAHRO submitted a comment letter

NAHRO is working with other housing and industry groups to oppose the proposed rule

Concerns:

- NAHRO is worried that this will lead to funding chaos as it will be easier for HUD to withhold funding.
- Housing agencies should not be subject to these rules (we have an ACC).

OMB Proposed Rule

- **<u>Concerns:</u>**
- Would allow HUD to terminate grants if they are not in the "national interest"
- Would allow HUD to terminate grants that damage the reputation of the federal government
- Would allow HUD to issue new terms and conditions to grants during the term of the grant
- All federal financial assistance announcements and applications would have to be in English.

OMB Proposed Rule

- **<u>Concerns:</u>**
- HUD would have to pre-approve funds being used for each specific conference in the terms of the grant
- Build America, Buy America requirements would be strengthened for all grants
- Limits on DEI – but without clear definition of DEI
- Grantees selected must advance “the President’s policy priorities”

Community Development

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HOME and CDBG Provisions in the 21st Century ROAD Act

Major reforms include:

- Providing long-term authorization for HOME.
- HOME to be used for some infrastructure.
- Increasing allowable homeownership purchase prices in higher-cost markets for HOME.
- Review the impacts of Build America, Buy America (BABA) requirements on HOME-funded affordable housing development.
- Adding new affordable housing construction as an eligible activity under the Community Development Block Grant (CDBG) program.

Community Development Funding

CPD Programs	FY 24 Enacted	FY 25 Enacted	FY 26 Enacted	FY 27 President	FY 27 House
CDBG	$3,300	$3,300	$3,300	$0	$3,300
HOME	$1,250	$1,250	$1,250	$0	$500

IN MILLIONS

BABA Exemptions in House Bill

- Would exempt HOME, CDBG, Public Housing and other community development programs from Build America, Buy America (BABA) requirements.
- Would be for FY 2027 and prior-year funding

Homeless Assistance Grants

FY 24 Enacted	FY 25 Enacted	FY 26 Enacted	FY 27 President	FY 27 House
$4,051	$4,051	$4,417	$4,024*	$4,160

IN MILLIONS

Continuum of Care NOFO

What's going on with the current litigation?

- In early August, the District Court in Rhode Island ruled in favor to vacate the 2026 CoC NOFO
- HUD appealed decisions
- U.S. Court of Appeals for First Circuit granted HUD ability to move forward with FY26 CoC NOFO on Sept. 16
- Pending litigation still ongoing
- Applications were already due

Housing Choice Vouchers

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Expected Shortfall

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$700m+



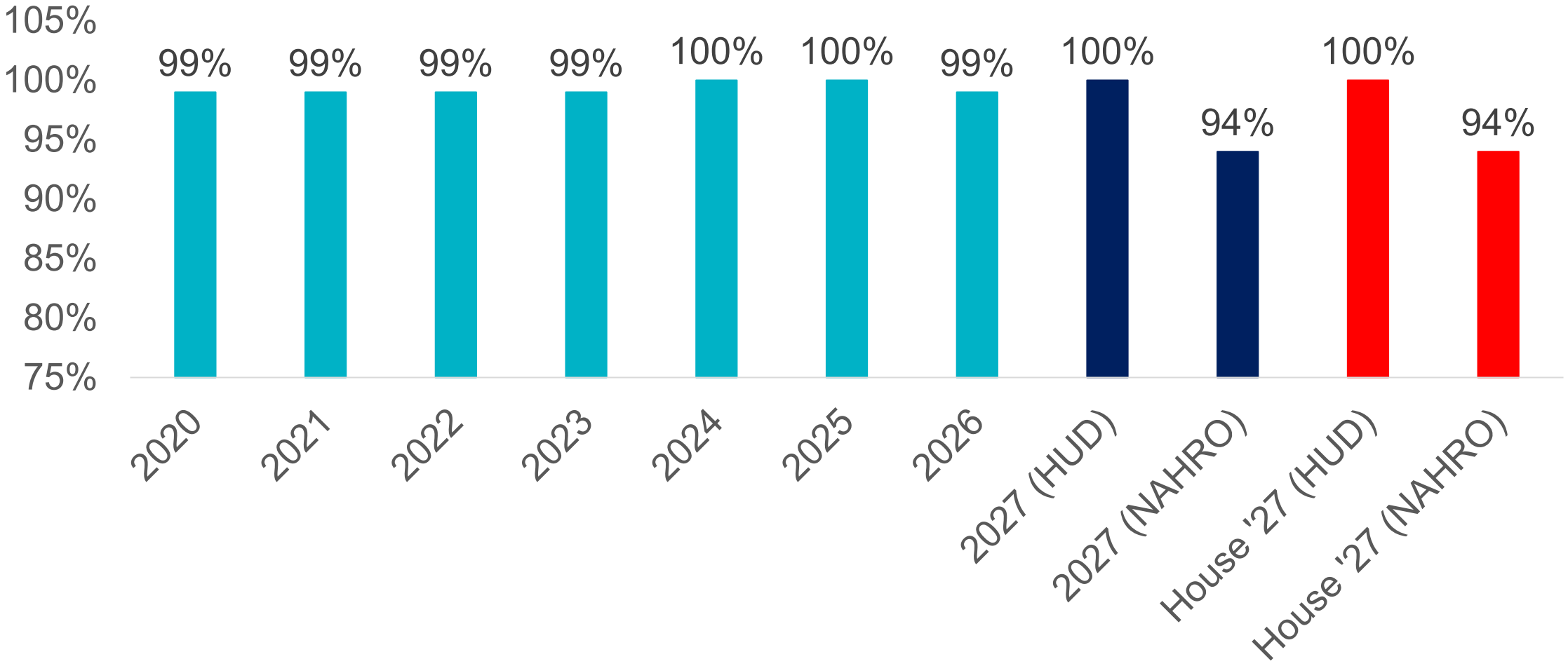
See **Notice PIH 2025-28** for cost savings
See **Notice PIH 2026-12** for HCV funding provisions

Voucher Funding

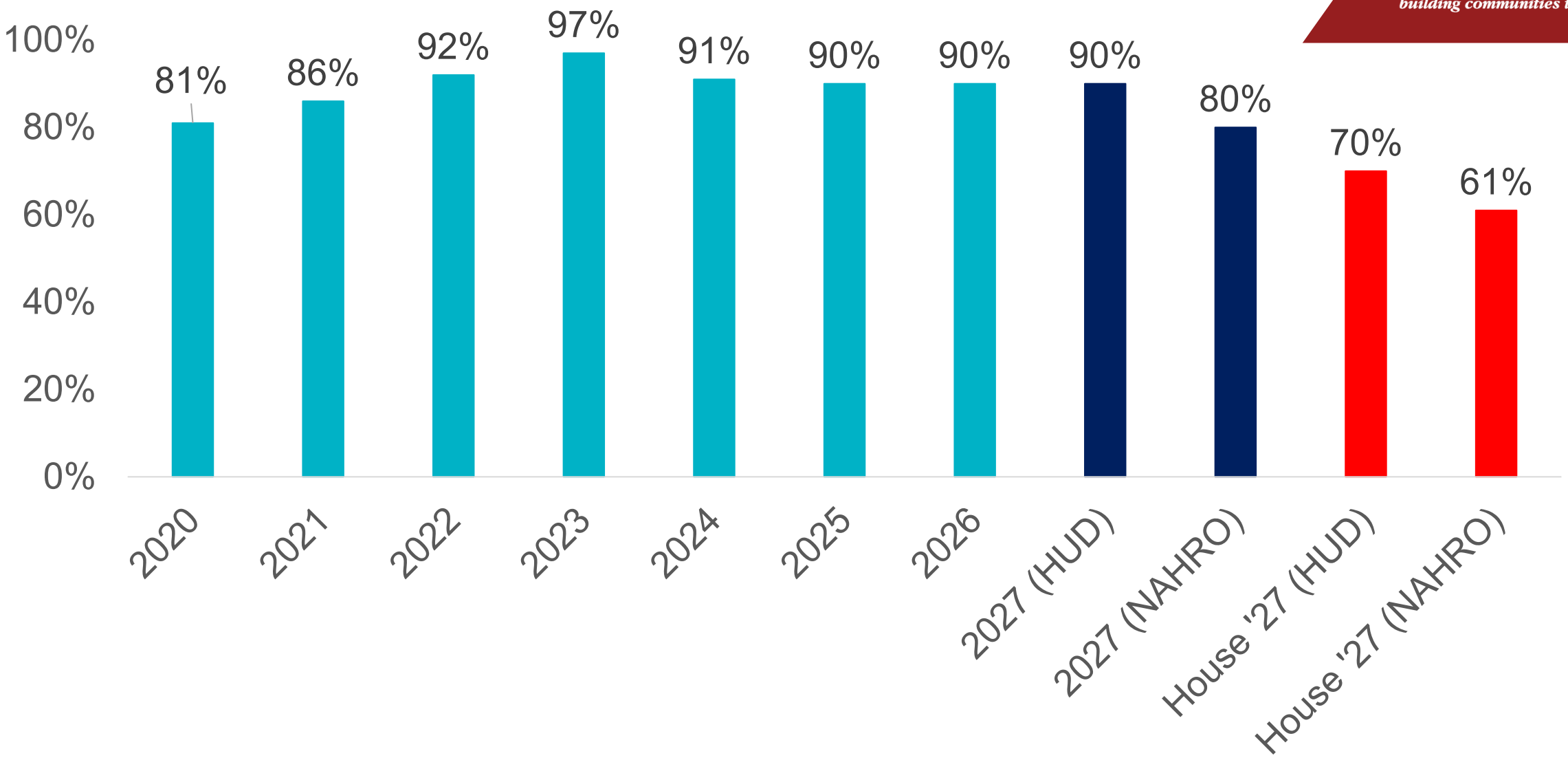
Voucher account (in millions)	FY 25 Enacted	FY 26 Enacted	FY 27 Budget Proposal	FY 27 House Bill
HAP Renewals	$32,145	$34,957*	$35,565*	$35,453*
Administrative Fees	$2,771	$2,836	$2,951	$2,300

* Includes Mainstream voucher account.

HCV HAP Proration



HCV Admin Fee Proration



President's Voucher Policy Provisions

- Mandatory Term Limits/Work Requirements
- Improving PHA Performance
- No New Voucher Issuance
- No EHV Waiver Authority
- PBRA / Section 811 / Section 202 Rent Adjustments

Accessing EHV TPVs

- HUD has released **Notice PIH 2026-25**
- All EHV households that are leased up in the EHV program as of **Sept. 30, 2026** will receive new EHV-TPVs
- These EHV-TPVs cannot be reissued
- HUD will estimate funding eligibility for EHV-TPVs based on the average per unit cost (PUC) in the PHA's EHV program and that total units estimated to be under lease

- Questions to EHV@hud.gov

Accessing EHV TPVs

Key Dates

Date	*Event*
On or about October 1, 2026	HUD notifies PHAs of potential EHV-TPV award amounts based on an estimated number of EHV families under lease as of September 30, 2026.
11:59:59 p.m. ET on October 15, 2026	Deadline for PHAs to respond to HUD with a correction of HUD's estimate, if necessary.
December 2026	HUD awards all EHV-TPV funds in one round of funding (equivalent to 1 month of TPV funding for CY 2026), and PHAs transition families from EHV to EHV-TPV assistance.
CY 2027	Future EHV-TPV funding will be provided as first-time renewals, subject to the availability of future appropriations.

Renewal Funding Inflation Factors

Estimated 2027 National RFIF: **2.337%**

- HUD seeking comment on RFIF methodology
- HUD also seeking to increase or decrease RFIF based on constraints on land use, permitting, regulatory restrictions, etc.

- NAHRO has submitted comments

Choice in Affordable Housing Act

- Allows LIHTC, HOME, and USDA Rural Housing units to satisfy inspection requirements if they passed an inspection within the previous year
- Permits landlords to request pre-inspections

NSPIRE-V

- Compliance date February 1, 2027

Learn More!

Recommended Training

Inspections for Voucher Operations

Check out the above NAHRO training for more information and guidance!

professionaldevelopment@nahro.org

Join our Interest List ↓

Public Housing

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Public Housing Funding Outlook

	FY 25 Enacted	FY 26 Enacted	FY 27 Budget Proposal	FY 27 House Bill
Operating Fund	$5,476	$4,687	$5,377	$4,687
Operating Fund Shortfall	$25	$337	---	$50
Capital Fund	$3,200	$3,200	$3,200	$2,286

Cash Management

- Order of Expenditure
- Reporting Updates
- Conflict with Laws and Regulations
- HUD Unified Grant System

HUGS

- HUD Unified Grant System
- Oversight mechanism to track HUD grant expenditures
- No information published about the HUGS platform
- Comments were due September 8

NAHRO Concerns

- Duplicative oversight
- HUD already has relevant information to provide meaningful oversight
- Major administrative burden
- HUD capacity
  - Regulatory agenda already long
- Little information on system published
- Adequate lead-in period required

Rental Assistance Demonstration Updates a Mixed Bag

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The Good: 21st Century Road to Housing Act extends RAD cap by100,000 units to the cap, ends sunset date

The Bad: Restore-Rebuild effectively ended by memo ending new Notice of Anticipated RAD Rents

The Ugly: President's budget proposed rebenchmarking Faircloth limit

Section 18

- New notice – **Notice PIH 2026-23**
- Increases threshold of very small PHAs to 75 or fewer public housing units.
- Expands definition of scattered site to cover six or fewer units
- Provides additional guidance on when mixed-finance public housing can be used under Section 18
- Special blend of 90/10
  - 90% of units can be Section 18, 10% RAD
  - Must have 250 or fewer ACC units

Project-Based Rental Assistance

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Project-Based Rental Assistance
Housing Assistance Payments by Year

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PBRA HAP Appropriations Year Over Year

2018	2019	2020	2021	2022	2023	2024	2025	2026
$11,515	$11,747	$12,570	$13,465	$13,940	$13,938	$16,010	$16,490	$18,543

Project-Based Rental Assistance Funding Outlook

FY 25 Enacted	FY 26 Enacted	FY 27 President	FY 27 House
$16,490	$18,543	$17,240	$18,975

Self-Sufficiency Programs

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Self Sufficiency Funding

Self-Sufficiency Programs	FY 24 Enacted	FY 25 Enacted	FY 26 Enacted	President's Proposal	House Bill
FSS	$140.5	$141	$156	$0	$125
ROSS	$40	$40	$40	$0	$40
Jobs Plus	$15	$15	$10	$0	$10

FSS Opt-Out Pilot Program

- Officially known as the “Helping More Families Save Act”
- Passed in the 21st Century ROAD to Housing Act
- Would allow PHAs and owners to test an opt-out model to improve participation and outcomes
- Allows participants to build savings without losing housing or welfare assistance
- Interest-bearing escrow accounts for residents

Ongoing HUD Activity

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HOTMA Sections 102 & 104

What's going on?

- Compliance for Multifamily Housing:

January 1, 2028

- CPD programs is still scheduled for:

January 1, 2027

HOTMA Sections 102 & 104 continued

- HUD is currently trying to move forward with updating IMS/PIC to accept 50058 forms that incorporate HOTMA income and asset rules
- Regular meetings are taking place with HUD and the IT Working Group
- PIH released their final Technical Reference Guide (TRG), which it provides information on how the IMS/PIC system will validate submissions for compliance with program rules
- Testing has begun with vendors and some PHAs

Learn More!

Launching August 31st

HOTMA 2027: A Practical Guide to the New Requirements

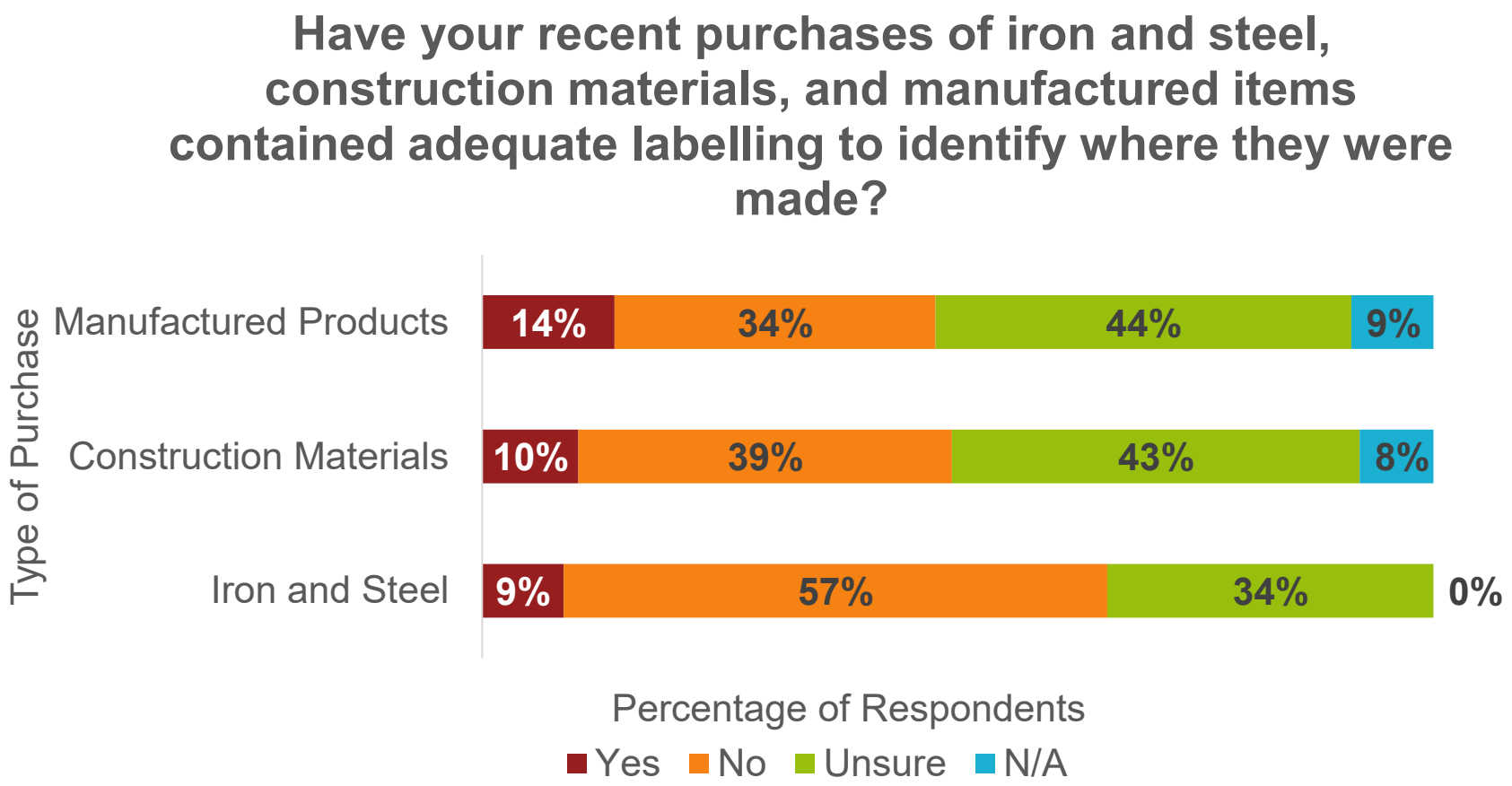
Check out the above NAHRO training for a review of the HOTMA Sections 102 and 104 requirements that become effective January 1, 2027.



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BABA:
No One Knows Where Anything is Made!



Proposed and Final Changes to BABA

- Law: 21st Century Road to Housing Act—Study of HOME
- Proposed: Build Housing Affordably Act
- Proposed: House Appropriations Language
- HUD RFI asked for additional information on what's made in America

HUD Priorities

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Proposed Mixed Status Family Rule

- Applies to PH, HCV, and PBRA
- Would not allow new mixed-status families
- PHAs and owners would need to verify status from all non-eligible non-citizens people
- Would be able to defer termination for 6 months, then 2 more 6 month periods
- **Scheduled to be out by the end of the year (?)**

HUD-EIV SAVE Attestations

HUD published a Systems of Records Notice (SORN)
The notice asked for comment on the EIV-SAVE Tenant Matching Report

HUD required housing providers to:
to review EIV-SAVE tenant matching report;
attest that the documentation is error free; and
Complies with the requirements of current law and regulations (see 24 CFR Part 5, Subpart E).

NAHRO and other industry groups submitted a comment letter:

- **HUD did not follow appropriate comment period**
- **HUD did not have authority to run EIV-SAVE on citizens / people 62 or older**

Work Requirements and Term Limits



Comments submitted on proposed rule, waiting for final rule



Term limits and work requirements both optional in proposed rule

And it needs to stay that way!



Rule to set strictest limits, PHAs may be more flexible

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