

RURAL VOICES

A VIEW FROM WASHINGTON

HOUSING SUPPLY

A Bipartisan Unifier Amid Uncertainty

By Jonathan Harwitz





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UNCERTAINTY has defined the federal affordable housing funding landscape in 2025. It has stalled projects, delayed timelines, and forced groups to pivot and reimagine their work even as the affordability crisis grows in urban, suburban, and rural housing markets and across every demographic. For the casual consumer of national news, it may seem that there have not been any notable bipartisan wins this year on the housing front amid a uniquely challenging political environment.

After years of policy inertia, however, bipartisan collaboration on affordable housing – especially around housing supply, regulatory streamlining, and rural housing issues – has, in fact, been making a marked comeback in the first legislative session of the 119th Congress. Most notably, major progress was realized when the Senate Banking Committee marked up and unanimously approved a package of affordable housing reforms known as the Renewing Opportunity in the American Dream (ROAD) to Housing Act in late July. This was the first housing bill markup in the committee in nearly a decade and demonstrated significant, thoughtful compromise between Banking Committee Chairman Tim Scott (R-SC) and Ranking Member Elizabeth Warren (D-MA).

One of the main areas of bipartisan consensus that led to the ROAD to Housing Act was the need for increased housing supply across the country. Those of us working in rural areas see this supply issue up close. According to HAC research, the number of housing units in rural communities increased by roughly 410,000 or 1.7 percent between 2010 and 2020. This rural housing growth was considerably lower than the 12 percent increase experienced in suburban areas and the 9 percent for the nation overall during the same decade. A community's housing stock is one of its most important resources. Increasing

housing supply in rural areas, even in places where it is urgently needed, can be constrained by factors like lack of local capacity and access to capital, access to skilled labor and materials, the “appraisal/value gap,” and local economic conditions.

In many rural places, the preservation of existing housing stock is a big part of the supply equation. For that reason, HAC was thrilled to see the Rural Housing Service Reform Act, led by Senators Tina Smith (D-MN) and Mike Rounds (R-SD), included in the ROAD to Housing Act package. The RHS Reform Act is a set of commonsense modernizations to the USDA's rural housing programs, including several significant new tools to aid in the USDA Section 515 multifamily housing preservation crisis. These rental properties can be found in over 80 percent of all U.S. counties and house nearly 400,000 rural Americans.

In addition to addressing preservation, the RHS Reform Act would modernize USDA's flagship single-family housing programs and allow for sorely needed

technology and staffing modernizations at USDA. A bipartisan House companion version of the bill has been introduced by Reps. Zack Nunn and Emanuel Cleaver, both quoted here. The RHS Reform Act has significant bipartisan support, and its inclusion in this larger package is the next step in getting these important modernizations passed into law. The ROAD to Housing Act package also includes a long list of other bipartisan and widely supported measures, including, among many other things, regulatory streamlining for environmental reviews; incentivizing pro-housing zoning; providing flexibility for jurisdictions building new housing; and authorization for the HOME Investment Partnerships program, the Community Development Block Grant-Disaster Recovery program, and the Preservation and Reinvestment Initiative for Community Enhancement (PRICE) program for manufactured housing. As of this writing, the ROAD to Housing Act has passed the Senate floor and will also need to be considered in the House.



Jonathan Harwitz is Director of Public Policy at the Housing Assistance Council. To learn more about HAC's federal policy work, visit <https://ruralhome.org/our-work/policy/policy-priorities/>.



Photo: zachnunn.com

Congressman Zach Nunn (R-IA)

"I hear from so many Iowans who have done everything right. They've gone to school, learned a trade, or earned a degree, but homeownership still feels out of reach and broken federal programs are blocking progress.

The Rural Housing Service Reform Act is the most significant overhaul of the USDA Rural Housing Service in more than two decades. This isn't about politics, and I'm proud to work with Rep. Emanuel Cleaver on this bipartisan bill to help more Americans own a home and stay in the rural communities where they live, work, and want to build their future."



Photo: U.S. Congress

Congressman Emanuel Cleaver (D-MO)

"Housing is the foundation upon which economic prosperity can grow, and every American deserves their fair chance at the American Dream. Yet far too many of our neighbors in rural America have watched that dream turn into a nightmare as housing costs grow out of control due to outdated and constrictive housing policies. I'm proud to join Congressman Nunn in the bipartisan effort to revitalize rural housing programs by introducing *The Rural Housing Service Reform Act*, which will cut unnecessary bureaucratic red tape, increase housing supply, and lower housing costs in these communities."