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MORTGAGE BANKERS ASSOCIATION

December 16, 2025

The Honorable French Hill  
Chairman  
Committee on Financial Services  
U.S. House of Representatives  
2129 Rayburn House Office Building  
Washington, D.C. 20510

The Honorable Maxine Waters  
Ranking Member  
Committee on Financial Services  
U.S. House of Representatives  
2221 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Hill and Ranking Member Waters:

On behalf of the Mortgage Bankers Association (MBA)<sup>1</sup>, I write to commend you – along with Housing and Insurance Subcommittee Chairman Mike Flood and Ranking Member Emmanuel Cleaver – for crafting a comprehensive, bipartisan package that seeks to expand and preserve housing supply, improve housing affordability and access, and bolster the oversight and integrity of our federal housing programs. I am also writing to express our industry's specific views on various sections of the Amendment in the Nature of a Substitute (AINS) to the *Housing for the 21<sup>st</sup> Century Act* (H.R. 6644), as well as to provide comments regarding two other measures slated for consideration either today or tomorrow.

MBA **supports** the AINS to H.R. 6644. The proposal is designed to address the nation's housing affordability challenges – problems that demand the focused attention of Congress and the federal agencies that regulate key aspects of the housing ecosystem. Both legislative and regulatory reforms are needed to appropriately improve affordability and address the nation's housing supply shortage. Accordingly, MBA strongly supports the bipartisan consensus you have built on many of these issues in an effort to promote the enactment of workable solutions.

As the Committee conducts its markup today, I ask that you consider our views regarding specific sections of the AINS to H.R. 6644 – and act to further refine and strengthen the legislation (when suggested), as follows:

### **Section 103 - Federal Guidelines for Point-access Block Buildings**

MBA **supports** this section, which would require the Department of Housing and Urban Development (HUD) to establish federal guidelines for point-access block buildings and allows

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<sup>1</sup> The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 275,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of more than 2,000 companies includes all elements of real estate finance: independent mortgage banks, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, credit unions, and others in the mortgage lending field. For additional information, visit MBA's website: [www.mba.org](http://www.mba.org).

HUD to award competitive grants for pilot programs to assess the feasibility of such buildings where they make local sense.

#### **Section 104 - Unlocking Housing Supply Through Streamlined and Modernized Reviews**

MBA **supports** this section, which would require HUD to reclassify what housing-related activities are exempt from requirements under the National Environmental Policy Act (NEPA) of 1969. This provision classifies certain housing-related activities as NEPA “exempt activities,” including tenant-based rental assistance, supportive services, and operating costs. It also classifies other housing-related activities that do not materially alter environmental conditions and do not materially exceed the original scope of the project as NEPA “categorical exclusions,” including the acquisition, new construction, improvement, or rehabilitation of residential buildings, public facilities, and infill and certain other projects. It would authorize HUD to designate certain federally assisted housing activities as a “special project” for purposes of NEPA allowing those activities to proceed under a streamlined local environmental review.

#### **Section 106 - Multifamily Loan Limits**

MBA **strongly supports** this section, as originally introduced as a free-standing measure (H.R. 6132) by Reps. Monica De La Cruz (R-TX) and Ritchie Torres (D-NY), which updates the statutory maximum loan limits for Federal Housing Administration (FHA) mortgage insurance for residential multifamily construction to reflect current costs, as well as provides for the use of an inflation adjustment formula more appropriate to housing construction costs for setting those limits going forward. These changes will immediately leverage significant private investment in housing to expand multifamily supply more efficiently and free up federal resources consumed by FHA staff administering needless regulatory requirements imposed by the outdated statutory limitations.

#### **Section 107 - GAO Studies**

MBA **supports** this section, which would direct the Government Accountability Office (GAO) to study identifying any gaps in federal housing programs that exclude middle-income households and recommend a definition for “workforce housing” that policymakers can use going forward. It also would require GAO to conduct a study examining the potential costs, benefits, feasibility, and implications of establishing a federal uniform residential building code.

#### **Section 202 - Community Development Fund Amendments**

MBA **supports** this section, which would make changes to HUD’s Community Development Block Grant (CDBG) program. First, it would require certain communities that elect to receive CDBG funds to include a non-binding plan in their statutorily required “use-of-funds” reports to review any overly burdensome local land use policies and ideas to improve those policies. It would also allow for additional eligible use of CDBG funds for affordable housing construction, enabling communities to direct CDBG resources toward increasing their local housing supply. Additionally, it would require CDBG grantees to maintain a publicly accessible, searchable database identifying undeveloped land owned by the jurisdiction.

## **Section 204 - Rural Housing Service Program Improvements**

MBA **supports** this section, which would allow for the greater use of the U.S. Department of Agriculture's (USDA) Rural Housing Service's (RHS) Section 504 Home Repair program, including expanding participation to include more low-income families. It would require the RHS to produce an annual report regarding the health of all its programs authorized under Title V of the *Housing Act of 1949* and require RHS to submit to Congress a report on how to shorten the application processing times for its Section 502 and 504 programs to not more than 90 days. It also would require GAO to submit a report to Congress on the status of RHS' use of technology and the potential cost of modernizing that technology.

As this AINS and comprehensive housing package proceeds beyond this Committee to its House floor consideration, MBA would also urge the adoption of additional reforms to the RHS loan program, including vital information technology upgrades, improved financing options related to lending for Accessory Dwelling Units (ADUs), and making USDA/RHS home loans assumable.

## **Section 205 - Choice in Affordable Housing**

MBA **supports** this section, which would allow housing units that are financed through certain existing federal housing programs to automatically satisfy the inspection requirements of HUD's Section 8 Tenant Based Voucher program if they have been inspected within the prior year.

## **Section 301 - Manufactured Housing Innovations**

MBA **supports** this section that would amend the federal definition of "manufactured home" to allow housing built with or without a permanent chassis. It would also require updated standards and state certifications so that manufactured homes without a chassis are treated on par with traditional HUD-code homes for financing, sale, installation, and title. This section would also establish HUD as the primary federal authority for approving any manufactured home construction or safety standards, including standards related to a manufactured home's construction, design, energy efficiency, and performance.

## **Section 302 - FHA Small-Dollar Mortgages Study**

MBA **supports** this section, which would require FHA to issue a report to Congress evaluating options to incentivize and expand access to small-dollar mortgages with original principal balances of \$100,000 or less.

## **Section 402 - Military Service Question**

While supportive of the intent, MBA has strong reservations about this section, which amends FHA's Informed Consumer Choice Disclosure to provide a price comparison between FHA and GSE products, including a comparison on VA home loan program pricing. Accurate pricing requires a Certificate of Eligibility and the disability status of all borrowers. Implementing these steps will be costly and are unlikely to result in any additional VA loan issuance given the processes lenders have in place to inform consumers of their choices well before reading

Uniform Residential Loan Application (URLA) documents. MBA alternatively supports solutions designed to materially improve the VA Home Loan product and, thereby, potential perceptions of the program (as compared to FHA loans). We believe these steps will improve utilization of the VA Home Loan program more effectively than Section 402.

### **Section 403 - HUD-USDA-VA Interagency Coordination**

MBA **supports** this section, which would direct HUD, USDA, and the Department of Veterans Affairs (VA) to enter into a memorandum of understanding (MOU) to strengthen interagency coordination regarding housing-related research, data, and market information.

### **Section 405 - Reforms to Housing Counseling and Financial Literacy Programs**

MBA **supports** this section, which would require that organizations receiving federal funding to provide housing counseling and advice to tenants and homeowners are subject to periodic on-site reviews and performance reviews by HUD. The section also allows HUD to subject poorly performing housing counselors to continued education training requirements, suspensions, or the termination of federal assistance.

As a corollary note, MBA, along with a broad coalition of other housing stakeholders, believes that both adequate HUD staffing and funding levels are necessary to help engaged counseling agencies deliver consistent, high-quality services to the public.

MBA also asks that you consider our views on the following two measures slated for markup today and tomorrow, as follows:

### **H.R. 1078 - Respect State Housing Laws Act**

Rising operating costs, including taxes and insurance, are straining rental housing providers. Therefore, MBA **supports** the adoption of this proposal, introduced on a bipartisan basis as the *Respect State Housing Laws Act* (H.R. 1078), as a means to restore normalcy to rental operations and eliminate a temporary “notice to vacate” requirement imposed by the federal *CARES Act*. Eviction is a last resort and already governed by state and local law.

### **H.R. 5577 - NFIP Extension Act of 2026**

The *National Flood Insurance Program (NFIP) Extension Act of 2026* (H.R. 5577) would reauthorize the NFIP through September 30, 2026. The bill also includes a retroactive effective date to ensure continuity of program authority in the event of a temporary lapse. MBA **supports** this legislation as a necessary step to ensure uninterrupted access to flood insurance and prevent market disruption.

## **Conclusion**

Again, MBA supports the **AINS to H.R. 6644** and urges an “**Aye**” vote on its passage by all Members of the Financial Services Committee. Our association stands ready to collaborate with you to help advance the proposal (once reported) through the House – and ultimately help reconcile its differences with the Senate’s *ROAD to Housing* proposal (as crafted earlier this year).

Importantly, MBA also urges an “**Aye**” vote on H.R. 1078 and H.R. 5577.

We look forward to our ongoing work together to ensure a robust real estate finance market – one that is accessible, affordable, and works best for all borrowers, renters, end users, and lenders.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bill Killmer', with a stylized flourish extending to the right.

Bill Killmer  
Senior Vice President  
Legislative & Political Affairs

cc: The Honorable Mike Flood  
The Honorable Emmanuel Cleaver  
All Members, House Committee on Financial Services