



Advocacy Priorities and Talking Points for Hill Meetings NCSHA's 2026 Legislative Conference

This document is a work in progress intended to help HFAs and their partners participating in NCSHA's 2026 Legislative Conference prepare for their meetings with members of Congress and their staffs. NCSHA will update this document as events warrant, including the introduction of legislation or other congressional or administrative actions that impact our messaging.

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Housing Credit and Multifamily Housing Bonds

In 2025, Congress passed an historic expansion of the Low-Income Housing Tax Credit program by lowering the bond financing threshold to 25 percent and increasing annual Housing Credit authority under the cap by 12 percent. Though the legislation in which the expansion passed — the One Big Beautiful Bill Act (OB3) — was a Republican-led reconciliation bill, and therefore partisan in nature, its inclusion would not have been possible if not for strong leadership and general support from both Republicans and Democrats. While there is more to be done to strengthen the program and expand its reach, we must first and foremost thank Congress for this major achievement.

This year, NCSHA seeks to further build support for the Housing Credit so that we are well-positioned to take advantage of any possible tax vehicle to further advance our Housing Credit and multifamily Housing Bond priorities.

#1 Thank You: Show your appreciation to all members of your delegation who voted for the OB3 or have cosponsored the Affordable Housing Credit Improvement Act (AHCIA). See these links for the roll call votes on the OB3 in the [Senate](#) and [House](#) and AHCIA [cosponsors](#).

- ➔ When speaking with Republicans, underscore the Republican support for the Housing Credit that made it possible for the expansion to be included in the OB3.
- ➔ When speaking to Democrats, make sure they understand you appreciate their support for the Housing Credit even though they were not able to vote for the OB3 due to the larger context of the bill.
- ➔ Come prepared with state-specific examples of how this expansion will help you expand the supply of affordable rental homes in your state.
- ➔ **Do not** focus on how additional credits available in the market could cause pricing to dip. Instead, explain more can be done to support robust investment in the market to optimize the increase in Housing Credits. Let them know NCSHA is talking to the AHCIA bill leads about how we can facilitate this in future tax legislation.

#2 Ask: Ask all members of Congress — Republicans and Democrats — to cosponsor the AHCIA (S. 1515/H.R. 2725). While the OB3 enacted one of the AHCIA’s most significant provisions (the 25 percent test) and made a down payment on another (the cap increase), there is still more work to be done to increase supply by further increasing Housing Credit authority and enacting important programmatic improvements.

The AHCIA sponsors maintain an equal number of Republican and Democratic cosponsors of the legislation. Because of this “Noah’s Ark” approach to adding cosponsors and the fact more Democrats than Republicans have signaled their interest in cosponsoring the bill, there is a waiting list for Democrats in both chambers. Therefore, while we encourage members in both

parties to sign on, it is especially important to target Republicans and ensure Democrats understand they may need to wait before being officially added as a cosponsor. The AHCIA lead sponsors add a Democratic cosponsor from the waiting list whenever they have a corresponding Republican seeking to cosponsor.

Key Talking Points on the Affordable Housing Credit Improvement Act

- The AHCIA would **expand and strengthen the Housing Credit**, our nation's most essential tool for the production and preservation of affordable rental housing.
- While Congress has passed one of the AHCIA's most critical provisions — the 25 percent bond financing threshold — and made a considerable down payment towards the cap increase sought in the AHCIA, **more can and should be done to expand production and optimize Housing Credit program performance.**

The AHCIA increases Housing Credit resources by expanding authority by 50 percent for the 9 percent component of the program. **The 9 percent Housing Credit program facilitates housing supply affordable to our most vulnerable households and communities**, allowing for deeper targeting than most other housing financing mechanisms.

- It would also **make the Housing Credit a better tool for preservation; enable it to better serve hard-to-reach communities**, including Native Americans, rural areas, high-poverty and high-cost areas, and extremely low-income households; provide protections for veterans and survivors of domestic violence and human trafficking; and streamline program rules to simplify and improve operations.
- **The AHCIA has wide bipartisan support in Congress.** The AHCIA was the most widely cosponsored bipartisan tax bill in the House during the 118th Congress. So far in the 119th Congress, the bill has the support of 165 House members and 42 Senators, with equal numbers of Republicans and Democrats signed on. By all known accounts, the AHCIA has **unanimous support across the affordable housing industry**, from tenant advocates to private-sector developers and investors.

General Talking Points on the Low-Income Housing Tax Credit and Multifamily Bonds

- **The Housing Credit and multifamily Housing Bonds are our nation's most successful tools for encouraging private investment in the production and preservation of affordable rental housing.** The Housing Credit is responsible for the large majority of affordable rental housing built and preserved since it was established in 1986.

- Together, these programs have financed **approximately four million affordable homes**, providing 9.28 million low-income families, seniors, veterans, and people with disabilities homes they can afford.
- Unlike many other tax expenditures, which subsidize activity that would occur at some level without a tax benefit, **virtually no affordable rental housing development would occur without the Housing Credit and Housing Bonds**. Housing simply costs too much to build for owners to charge rents that are affordable to low-income households.
- **The Housing Credit and Housing Bond programs have a unique, market-based structure that transfers the real estate risk from the taxpayer to the private-sector investor**. In the rare event a property falls out of compliance at any time during the first 15 years after it is placed in service, the Internal Revenue Service can recapture tax credits from the investor. Thus, investors have an incentive to ensure properties adhere to all program rules, including affordability restrictions and high-quality standards.
- **The Housing Credit and Housing Bond programs require only limited federal bureaucracy, because Congress delegated administration and decision-making authority to state governments**. State housing finance agencies (HFAs), which administer the Housing Credit in nearly every state, have statewide perspective, a deep understanding of the needs of their local markets, and sophisticated finance, underwriting, and asset management capacity.
- **The National Association of Home Builders (NAHB) estimates** that every 100 new Housing Credit units built support 190 jobs and generate \$7.9 million in tax revenue and \$21.6 million in wages and business income. NAHB estimates that every 100 units rehabilitated with the Housing Credit support 131 jobs and generate \$5.1 million in tax revenue and \$14.5 million in wages and business income.¹
- With strict state agency underwriting standards, stringent compliance requirements, and due diligence from the private sector, **the inventory of Housing Credit properties, including those with Housing Bond financing, has an outstanding performance track record according to all commonly used real estate metrics**. Fewer than 0.5 percent of Housing Credit developments have undergone foreclosure, an unparalleled record compared to market-rate multifamily properties and all other real estate classes.²

¹ Unpublished report prepared by the National Association of Home Builders for Enterprise Community Partners, 2023.

² CohnReznick, "Affordable Housing Credit Study," 2025.

Mortgage Revenue Bonds

Ask #1: Ask all members of Congress — both Republicans and Democrats — to show their support for expanding homeownership opportunities by cosponsoring the Affordable Housing Bond Enhancement Act (AHBEA, S.1511/H.R. 7414).

Ask #2: Ask all members of Congress — both Republicans and Democrats — to expand the reach of Mortgage Revenue Bonds by removing these bonds from the Private Activity Bond volume cap so HFAs can help more first-time home buyers achieve homeownership. NCSHA is actively seeking bipartisan champions in both chambers to lead this effort.

Key Talking Points on the Affordable Housing Bond Enhancement Act

- The Affordable Housing Bond Enhancement Act (AHBEA) would **expand the supply of affordable homes and improve access to homeownership for low- and moderate-income home buyers** through simple and impactful improvements to the Mortgage Revenue Bond (MRB) and Mortgage Credit Certificate (MCC) programs.
- The AHBEA would **update outdated rules, such as a limit on home improvement loan size that has not been adjusted — even to count for inflation — in more than four decades**, allowing homeowners to prevent their homes from falling into disrepair, make modifications to allow them to age in place, or repair damage resulting from natural disasters or other events when insurance payouts are insufficient.
- **The AHBEA is fiscally responsible, cost-efficient legislation** that does not add additional PAB authority but instead provides states flexibility so they can more efficiently use the PAB authority already provided to them under law.
- This legislation would **free up more private activity bond (PAB) authority for affordable housing so it does not expire unused** and make state usage of PAB authority more transparent and flexible, allow states to use MRBs to refinance existing loans, make MRB-financed home improvement loans feasible, and streamline MRB and MCC program rules.

General Talking Points on MRBs and MCCs

- **A healthy and affordable home purchase market is crucial for economic growth.** Homeownership is many working families' primary means of building wealth. Further, an active home purchase market would open up more rental opportunities for those wishing to rent as new home buyers leave their rentals.

- **The Mortgage Revenue Bond and Mortgage Credit Certificate programs make homeownership possible for first-time, lower-income home buyers.** MRBs and MCCs are essential to state housing finance agency efforts to help low- and moderate-income working families become home buyers.
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- **MRBs enable creditworthy working families with modest incomes and limited capacity to obtain the necessary down payments to access homeownership.** Using MRBs, state HFAs have helped more than 3.6 million responsible low- and moderate-income borrowers become homeowners. They help approximately 90,000 families buy their first homes with MRB mortgages, on average, each year.
- **In today's high-interest rate market, MRB loans are critical to helping working families purchase a home.** Many HFAs are able to offer MRB-financed mortgage products with interest rates 0.5 to one percent below the prevailing market rate, saving borrowers thousands annually and allowing them to make more competitive bids on starter homes.
- **MRBs and MCCs are particularly critical in our current housing market, with high home prices, lower inventory, and elevated interest rates putting the dream of homeownership out of reach for many working families.** According to the National Association of REALTORS®, first-time home buyers accounted for just 21 percent of home purchases from July 2024 to June 2025, the smallest share since at least 1981. The median age of first-time home buyers has increased to 40, up from the late 20s in the 1980s.³
- **MRBs are well-targeted to help those who most need it.** Seventy-one percent of MRB borrowers in 2024 earned at or below area median income (AMI) including nearly half that earned at or below 80 percent of AMI. The average sales price of an MRB-financed home was just over \$238,226, 48 percent of the national median sales price.
- **The MCC program is a flexible subsidy source.** It can be adjusted depending on the incomes of different home buyers and provides a relatively constant level of benefit to first-time home buyers. State HFAs have used MCCs to provide critical tax relief to more than 406,000 families.

³ National Association of REALTORS®, “2025 Profile of Home Buyers and Sellers,” November 4, 2025.

Neighborhood Homes Credit

The Ask: Ask all members of Congress — both Republicans and Democrats — to cosponsor the Neighborhood Homes Investment Act (S. 1686/H.R. 2854). If you are meeting with a member who already cosponsors the bill, ask them to communicate their support for the bill to their leadership.

Key Talking Points on the Neighborhood Homes Credit/Neighborhood Homes Investment Act

- **America is facing a crucial shortage of affordable ownership housing**, making it exceedingly difficult for working families to purchase homes and realize the economic gains and other benefits that come with homeownership. According to a recent analysis by Freddie Mac, the United States would need to construct nearly 3.8 million for-ownership homes to meet demand. Those few affordable homes that do exist are older and in need of critical repairs. The median age of a single-family home in 2023 was 44 years, up from 27 years in 1993.
- Exacerbating this issue are neighborhoods in every state in which **homes are in poor condition and property values are too low to support new construction or substantial renovation**. The lack of move-in-ready homes makes it difficult to attract or retain home buyers, causing property values to decline.
- **The Neighborhood Homes Credit would help break this cycle** by providing an incentive for private developers to acquire and rehabilitate homes in distressed neighborhoods by establishing a federal tax credit to cover the gap between the cost of building or renovating homes and the price at which they can be sold, thus making such projects feasible.
- **The Neighborhood Homes Credit will help to counter the inflationary pressures impacting working families**. Housing costs accounted for more than a third of the increase in the core Consumer Price Index in 2025. Increasing the supply of affordable ownership homes will cut against these pressures and mitigate home price increases for working families.
- **The Neighborhood Homes Credit is based on the Low-Income Housing Tax Credit**, a program that has proven a resounding success in utilizing private-sector expertise and public resources to develop much-needed affordable housing.

- **The Neighborhood Homes Credit is targeted to help neighborhoods and households who most need support.** The majority of credits would have to be allocated for projects located in neighborhoods with elevated poverty rates, low home values, and low incomes. All homes developed or rehabilitated with the credit would have to be sold to low- and moderate-income households earning 140 percent of area median income or below who intend to use the home as their primary residence.
- Assuming an average Neighborhood Homes Credit of \$60,000 on each home developed, **the Neighborhood Homes Investment Act would lead to \$151 billion in development financing that would build and/or substantially rehabilitate 500,000 affordable homes** over 10 years. This would create 1.1 million jobs and generate \$102.7 billion in wages and salaries and \$45.6 billion in federal, state, and local revenue through taxes and fees.

Affordable Housing Authorizing Legislation

Congress is working on historic legislation to strengthen and modernize federal affordable housing programs so they may better meet the needs of Americans in the 21st Century. In February, the House of Representatives passed the Housing for the 21st Century Act, which makes significant reforms to the HOME program, raises the public welfare investment (PWI) limit to allow banks to invest more in the Housing Credit program and other public welfare initiatives, and makes other adjustments to U.S. Department of Housing and Urban Development (HUD) programs to improve their efficacy. In March, the Senate passed an even more comprehensive version of this legislation — the 21st Century ROAD to Housing Act — which combines most of the House-passed bill with other program reforms and improvements that have received wide bipartisan support in the Senate and were part of legislation that unanimously passed the Senate Banking Committee in 2025.

The Senate’s bill is far more expansive than the legislation passed in the House and includes not only the HOME reforms and increase in the PWI cap from the House-passed bill but also other NCSHA priorities, such as reforms to allow for preservation of rural rental housing and a pilot program for home repairs. The Administration has endorsed the Senate’s 21st Century ROAD to Housing Act. For the bill to be enacted, either the House must take up and pass the Senate-passed 21st Century ROAD to Housing Act or congressional housing leaders must negotiate a compromise that could pass both chambers.

The Ask: Urge all members of your House delegation — both Republicans and Democrats — to tell their leadership to take up the Senate-passed 21st Century ROAD to Housing Act. If the House opts to negotiate a compromise bill, make sure your entire delegation, including members of both parties and in both chambers, understands such legislation should include the following key provisions:

- **Strengthen the HOME Investment Partnerships Program.** The Senate-passed 21st Century ROAD to Housing Act incorporates key reforms to the HOME program that had been included in earlier versions of the Senate bill and most of the HOME-related provisions from the House-passed Housing for the 21st Century Act. Important program enhancements in the legislation include:
 - HOME reauthorization
 - Elimination of barriers to homeownership
 - Streamlining of Section 3 requirements
 - Elimination of the duplicative and outdated 24-month commitment deadline
 - Adjustments to CHDO requirements to facilitate more involvement from nonprofit partners
 - Streamlining property inspection requirements

- **Ensure Build America, Buy America (BABA) implementation does not undermine affordable housing financed with HOME funds.** While BABA’s goal of supporting domestic manufacturing is laudable, its application to affordable housing, in particular the HOME program, is stymieing development of sorely needed affordable homes, raising the cost of production, and disincentivizing the use of HOME as a subsidy. In many cases, products and materials needed for affordable housing simply are not produced in the United States. The House’s Housing for the 21st Century Act directs the HUD Secretary to review and revise BABA guidance for HOME. This could lead directly to significant administrative changes that will facilitate BABA compliance while ensuring its application does not upend housing production and preservation. This directive is not included in the Senate’s bill at this time.
- **Raise the public welfare investment cap.** Both bills increase the cap on banks’ public welfare investments, a category that includes Housing Credits, from 15 percent of a bank’s capital and surplus to 20 percent. This would facilitate increased liquidity in the markets and support strong Housing Credit pricing.
- **Facilitate housing preservation in rural areas.** The Senate-passed bill would enact a series of reforms to Rural Housing Service programs, including codifying a pilot program that allows decoupling of rental assistance from maturing 515 mortgages to ensure these properties do not lose rental assistance contracts when their mortgages are paid off. This provision is not included in the House-passed bill.
- **Streamline environmental review requirements.** Both bills make common-sense changes to simplify environmental review requirements and spur the development of more affordable housing. If the House and Senate negotiate a compromise, NCSHA supports expanding this provision to prevent duplicative environmental reviews.
- **Stabilize manufactured housing communities.** The Senate-passed bill would permanently reauthorize the PRICE program, currently a temporary pilot, that preserves, maintains, and stabilizes manufactured home communities so they remain an affordable housing option for working families.
- **Provide resources for home repairs.** The Senate-passed bill authorizes HUD to establish a five-year pilot program to provide grants to nonprofits and state, local, and tribal governments to offer grants and forgivable loans to low- and moderate-income homeowners and qualifying small landlords to address home repair needs and health hazards for single-family homes.

Housing Appropriations Priorities

Ask #1: Ask members of the Senate and House Appropriations committees — in particular those who are members of the Transportation, Housing and Urban Development, and Related Agencies Subcommittee — to support no less than \$1.5 billion in HOME funding in fiscal year 2027. Talk to all Senate and House members about the importance of robust funding for the HOME program and urge off-committee members to communicate their support for HOME funding to appropriators and leadership.

Ask #2: Ask members of the Senate and House Appropriations committees — in particular those who are members of the Transportation, Housing and Urban Development, and Related Agencies Subcommittee — to provide enough FY 2027 funding to renew all Housing Choice Vouchers and Section 8 Project-Based Rental Assistance (PBRA) contracts and adequately fund their administration.

Ask #3: Ask members to ensure any new PBRA contract administration solicitation from HUD allows continued state-by-state administration by state HFAs and other public housing agencies with the willingness and authorization under state law to deliver PBRA services under the Performance-Based Contract Administration program.

Key Talking Points on HOME

- **HOME is the only federal program that provides the resources and flexibility to meet both the supply and demand challenges of the affordable housing crisis.** HOME can be used to support both rental housing and homeownership. It can be used for new construction, rehabilitation, down payment assistance, and tenant-based rental assistance. HOME's flexibility allows states and localities to tailor it to their unique needs.
- **HOME is more critical than ever.** Rents are significantly higher than last year in most markets across the country and still rising in some, making it harder for unemployed and underemployed persons to stay in their homes or find stable housing. Furthermore, increased construction costs, labor shortages, and supply chain disruptions will impact housing development in the near term. Therefore, it is critical that HOME funding be increased.
- **To tackle housing inflation, we must add to the supply of affordable rental and for-sale housing for low-income people. HOME is key to both.** Since 1992, HOME funds have helped to produce more than 1.39 million homes. HOME frequently provides critical gap financing to make feasible affordable rental housing funded with Housing

Credits or other federal, state, and local housing programs and allows such housing to reach even lower income populations.

- **HOME is a critical source of soft funding to properties assisted by the Housing Credit and other programs.** HOME often provides the early money necessary to get developments off the ground or the final critical gap financing while private lending, Housing Credit, other equity, and other resources come together.
- **HOME supports local economies and creates jobs.** For every \$1 billion in HOME funding, nearly 19,000 jobs are created or preserved. Moreover, every HOME dollar leverages nearly \$5 of additional investment in affordable housing. The HOME Coalition estimates this investment has supported more than two million jobs and generated more than \$140 billion in local economic impact.
- **HOME is distinct from HOME-ARP.** HOME-ARP is an entirely separate program from HOME, targeted narrowly to specific populations who are experiencing or at risk of experiencing homelessness. Funding for HOME-ARP is not a substitute for HOME, which is the primary federal block grant dedicated to production of new affordable housing.
- **The HUD has significantly strengthened reporting and oversight requirements of the HOME program.** Many years ago, media reports found instances of HOME funding going unspent. In response, HUD issued a rule that included numerous additional oversight and reporting requirements to ensure obligated HOME funding was committed to projects in a timely manner. These reports, which are available on HUD's website, show HOME funding being used quickly and efficiently to support production of new affordable housing.

Key Talking Points on Rental Assistance

- **PBRA helps more than two million people in 1.3 million low-income households afford the rent for decent, safe, and sanitary housing.** Without it, many of these households (two-thirds of which are elderly or disabled) would face worst-case housing needs, meaning they would pay more than half of their income for rent, live in severely inadequate physical conditions, or both. In 2023, the annual household income of PBRA recipients averaged \$15,455 while more than 18 percent earned less than \$10,000 and nearly 76 percent of residents earned less than \$20,000.
- **PBRA promotes family well-being and positive life outcomes.** Affordable housing leads to increased employment, more school participation and better education outcomes, and improved health.

- **PBRA supports a stock of long-term affordable housing and helps preserve and protect the federal investment that went into developing and maintaining it over the years.** State HFAs are well-positioned to help administer the PBRA program and should continue to be afforded the opportunity to do so if they choose. PBRA and strong oversight of owners and managers help to secure a good living environment for residents now and into the future.

The Need for Affordable Housing

- **Affordable housing has reached a critical level of importance for the American public**, often ranking as a top three economic concern alongside inflation and healthcare. In a recent Economist/YouGov survey, 78 percent of Americans surveyed said it's very difficult or somewhat difficult for families to find affordable housing.⁴
- **High housing costs are a major driver of inflation, with shelter consistently being the largest contributor to monthly increases in prices, according to the Consumer Price Index.** The cost of renting an apartment has skyrocketed across the nation, with average rent being 33 percent higher than before the pandemic.⁵ A primary reason for this increase is the imbalance between the supply of rental housing and the demand for it.
- The nation faces a severe shortage of homes affordable to the lowest-income renters. According to the National Low-Income Housing Coalition's Gap report, **the United States has a shortage of 7.2 million rental homes affordable and available to extremely low-income households**, leaving millions of families without access to stable housing.⁶
- Millions of renters struggle to afford housing costs. **Nearly half of all renter households are cost burdened, meaning they spend more than 30 percent of their income on rent**, and roughly one in four renters spend more than half of their income on housing, leaving little for other necessities such as food, healthcare, and transportation.⁷
- Renter households make up a large and growing share of the housing market. **There are more than 44 million renter households in the United States**, representing roughly one-third of all households nationwide.⁸
- **The costs of purchasing a home have also surged, putting the dream out of reach for more and more working families.** As of the end of 2025, more than 75 percent of homes were unaffordable to a typical American household.⁹
- According to one estimate, **a household would need to earn \$113,000 to afford a median-priced home, far above the median income of \$80,000.**¹⁰
- **Median monthly homeowner costs increased to \$2,035 in 2024**, up nearly four percent from the year before.¹¹

⁴ The Economist/YouGov [Poll](#), December 5 – 8, 2025.

⁵ Zillow, "Rental Market Report," February 2025.

⁶ National Low-Income Housing Coalition, "The Gap: A Shortage of Affordable Homes," March 2026.

⁷ Harvard University's Joint Center for Housing Studies, "America's Rental Housing," March 2026.

⁸ U.S. Census Bureau, "Housing Vacancy Survey," February 2026.

⁹ Bankrate, "Priced out of 75% of the market, Americans' dream of homeownership has become a luxury," December 8, 2025.

¹⁰ Ibid

¹¹ U.S. Census Bureau, "The Cost of Homeownership Continues to Rise," September 11, 2025.