



July 22, 2025

The Honorable Susan Collins
Chair
Senate Appropriations Committee
Washington, District of Columbia 20510

The Honorable Patty Murray
Vice Chair
Senate Appropriations Committee
Washington, District of Columbia 20510

The Honorable Cindy Hyde-Smith
Chair, Senate Appropriations
Subcommittee on Transportation, Housing,
and Urban Development
Washington, District of Columbia 20510

The Honorable Kirsten Gillibrand
Ranking Member, Senate Appropriations
Subcommittee on Transportation, Housing,
and Urban Development
Washington, District of Columbia 20510

Dear Chair Collins, Vice Chair Murray, Chair Hyde-Smith, and Ranking Member Gillibrand:

As the Senate continues to work on appropriations legislation for Fiscal Year 2026 (FY26), we respectfully urge members to support no less than \$1.5 billion in funding for the HOME Investment Partnerships Program (HOME).

Housing supply remains a serious challenge nationwide, and the HOME program is a critical way for local communities to respond—through affordable homeownership, rental development, and tenant-based rental assistance where needed. HOME is also a smart investment — leveraging \$4.76 in public and private funds for every dollar in HOME funding — and has supported more than 2 million jobs and generated \$140 billion in local income according to the HOME Coalition’s most recent analysis.

Unfortunately, the House Appropriations Committee has reported FY26 Transportation, Housing and Urban Development (THUD) legislation that would altogether eliminate this vital source of funding to support production and preservation of desperately needed affordable housing for rent and purchase around the country.

The Committee Report accompanying the House THUD bill cites funding that remains available through the HOME-ARP program as a justification for its decision not to fund HOME at all in FY26. However, HOME-ARP serves a very different purpose than the HOME program and is not a substitute for robust annual funding for the core HOME program. For example, while HOME funds can be used to promote homeownership in a variety of ways, HOME-ARP cannot be used for any homeowner applications. And while HOME-ARP funds may only be used to assist households under 30 percent of Area Median Income (AMI), ordinary HOME funds may serve a much broader segment of the population, including households up to 80 percent of AMI.

HOME-ARP was also a unique, one-time program, and required HUD to stand up an entire new regulatory regime. HOME-ARP grantees had to develop, revise, and amend allocation plans specific to these new regulations, and because the program was so new, PJs were given until 2030 to spend down their HOME-ARP allocations, and have made timing decisions about when to use these resources most effectively and efficiently compared to other resources with different spending timelines.

Finally, it is worth noting that HOME is an important gap filler for many transactions involving the Low-Income Housing Tax Credit (LIHTC), which Congress significantly expanded in the most recent reconciliation package. Without HOME funding, however, the full magnitude of this expansion of LIHTC resources may never be realized.

HOME is the only federal grant program that provides states and localities the resources and flexibility they need to address the affordable housing crisis, and it is imperative for Congress to provide adequate resources for this essential purpose. Accordingly, we respectfully urge you to support no less than a funding level of \$1.5 billion in any final FY26 funding legislation. If you have any questions about this letter, please contact Robert Henson (rhenson@ncsha.org) with the National Council of State Housing Agencies, Jenna Hampton (jhampton@coscda.org) with the Council of State Community Development Agencies, or Xavier Arriaga (xarriaga@enterprisecommunity.org) at Enterprise Community Partners.

Sincerely,

Cinnaire Lending
Community Opportunity Alliance
Community Solutions
Council for Affordable and Rural Housing
Council of Large Public Housing Authorities
Council of State Community Development Agencies (COSCDA)
Enterprise Community Partners
Fahe
Grounded Solutions Network
Habitat for Humanity International
Healthcare Anchor Network
Housing Assistance Council
Housing Partnership Network
Local Initiatives Support Corporation
Low Income Investment Fund
Mercy Housing
NAHRO
National Affordable Housing Management Association
National Alliance to End Homelessness
National Association for County Community and Economic Development
National Association of Affordable Housing Lenders
National Association of Home Builders
National Association of Local Housing Finance Agencies
National Community Development Association
National Community Stabilization Trust
National Council of State Housing Agencies
National Housing Conference
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