



January 26, 2026

The Honorable Scott Bessent  
Secretary, U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

The Honorable Scott Turner  
Secretary, U.S. Department of Housing and Urban Development  
451 Seventh St, SW  
Washington, DC 20410-0001

Dear Secretary Bessent and Secretary Turner:

On behalf of our member state Housing Finance Agencies (HFAs), the National Council of State Housing Agencies (NCSHA) thanks you for your efforts to advance President Trump's commitment to make housing more affordable.

We are deeply concerned that the Administration may be at risk of undermining that objective by terminating Federal Financing Bank (FFB) support for multifamily housing loans financed through the Federal Housing Administration (FHA) - Housing Finance Agency Multifamily Loan Risk-Sharing Program. We urge you to ensure this small but important initiative continues, for the following reasons:

**Advances the President's housing policy.** The administration's FY 2026 budget request for HUD [stated](#): "The FFB-FHA housing initiative has been successful in supporting the development of new affordable housing supply in participating jurisdictions." Overall, it has generated financing for almost 50,000 homes across the country.

**Advances the President's commitment to a smaller, more efficient federal government.** The FFB-FHA housing initiative requires participating lenders to take 50 percent of the credit risk and use their own underwriting procedures, as approved by FHA – shortening closing times, bypassing hundreds of pages of regulations, and improving efficiency. *It works so well it produces revenue for the federal government.*

**Advances the President's commitment to rural America.** Many developments financed by the FFB-FHA housing initiative are small transactions that cannot attract any other financing in rural communities. Ensuring it continues will directly benefit small towns and rural areas, providing a perfectly complementary tool to the newly expanded Opportunity Zones tax incentives.

We recognize that the first Trump administration gradually wound down the FFB housing initiative, largely due to objections by some lenders which current regulations prevent from participating. A better answer than reflexively unwinding an effective program on this basis is to invite any lenders who wish to participate to join – which will lead to more housing and more federal revenue.

At minimum, any phase-out of the current program, if one occurs, must provide for an orderly transition and must not penalize market participants and local communities with pending projects in process. That means a rational transition period, during which HUD and Treasury approve and process additional loan applications and enable projects that have been planned for years to reach the finish line.

Anything less would be unfair to the businesses involved in these transactions and harmful to the residents and communities that are counting on them to deliver affordable homes.

We urge you to ensure that the FFB Risk-Sharing option remains available to HFAs for as long a period as possible to support the existing pipeline of affordable housing developments that need HFA financing and enable HFAs and housing providers to move forward with new plans to produce and preserve affordable housing.

Sincerely,



Stockton Williams  
Executive Director

cc: Russell Vought, Director, White House Office of Management and Budget  
Mark Calabria, Associate Director for Treasury Housing Commerce, White House Office of Management and Budget  
Jeff Wrase, White House National Economic Council  
Wells King, White House Domestic Policy Council  
Jonathan McKernan, Under Secretary for Domestic Finance, U.S. Department of Treasury  
Frank Cassidy, Assistant Secretary for Housing/FHA Commissioner, U.S. Department of Housing and Urban Development