National Urban League

Empowering Communities.
Changing Lives.
For An Equitable Future.

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The Honorable John Thune
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Charles E. Schumer
Democratic Leader
United States Senate
Washington, D.C. 20510

The Honorable Tim Scott
Chairman
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, D.C. 20510

The Honorable Elizabeth Warren
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, D.C. 20510

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Hakeem Jefferies
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

The Honorable French Hill
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

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

Dear Majority Leader Thune, Democratic Leader Schumer, Chairman Scott, Ranking Member Warren, Speaker Johnson, Leader Jefferies, Chairman Hill and Ranking Member Waters:

On behalf of the National Urban League, a historic civil rights organization with 94 affiliates across 36 states and the District of Columbia, I write to comment Congress on the bipartisan passage of the 21st Century Renewing Opportunities to the American Dream (ROAD) to Housing Act.[1] At a time when families across the country are facing a profound housing affordability crisis, this legislation demonstrates what is possible when elected leaders work across party lines to address one of the most urgent economic challenges facing the American people.

The National Urban League has long understood housing policy as economic policy and civil rights policy. Since 2000, housing costs have increased fivefold while median income has increased only one-fifth as much; nearly half of U.S. renters spend more than 30 percent of their income on housing. [2] Rising rents and mortgages are creating

[1]https://www.banking.senate.gov/newsroom/minority/warren-scott-hill-waters-release-updated-bill-text-on-senate-consideration-of-the-21st-century-road-to-housing-act
[2]https://www.statista.com/chart/34534/median-house-price-versus-median-income-in-the-us/?srsltid=AfmBOorFP0jIt3gS4bNrVC_k2W8Zy1Gaq3LwgZILMSIsQ-AjjDuGFryj

great pain and difficulty and are pushing working- and middle-class Americans toward the poverty line, while pressures on low-income families are even more severe.
Safe, stable, affordable housing is the foundation on which families build health, educational opportunity, employment security, become entrepreneurs, and create intergenerational wealth. Yet for too many Americans, and particularly for Black families and other communities of color, the cost of rent, the barriers to homeownership, and the legacy of discrimination in housing and lending continue to place that foundation out of reach.

As I expressed in my letter to Congressional leadership in December of last year [3], the nation's housing crisis demands bold, innovative action. The 21st Century ROAD to Housing Act is an important and necessary response. The legislation correctly recognizes that America's housing crisis cannot be solved without increasing the supply of homes.[4] We are encouraged by the provisions that modernize federal housing programs, reduce unnecessary barriers to production, improve manufactured housing, expand access to small-dollar mortgages, and restrict private equity and institutional investors from purchasing single-family homes, offering meaningful progress.

In particular, the National Urban League supports the inclusion of provisions such as:

- **Section 105: "FHA Small Dollar Mortgages"**, which will help expand access to responsible, affordable mortgage credit in underserved communities where lower-cost homes are too often financed through higher-cost or less sustainable credit products.
- **Section 107: "Housing Supply Frameworks"**, which recognizes the need for more coordinated, data-informed strategies to increase housing production and address barriers that make it harder for communities to build the homes they need.
- **Section 207: "Grants for Planning and Implementation Associated with Affordable Housing",** which can provide state, local, tribal, and regional entities with needed capacity to modernize planning through competitive grants that better align housing development with transportation, infrastructure, and community needs.
- **Section 208: "The Innovation Fund"**, the 7-year competitive grant program that encourages local governments and tribes to adopt and scale zoning and density reforms that increase housing supply and affordability.
- **Section 704: "The Appraisal Modernization Act",** which addresses a persistent barrier to fair homeownership by improving transparency, consumer protections, and accountability in the home valuation process. Racially biased and inaccurate appraisals have deprived families of wealth, limited refinancing opportunities, and undermined confidence in the housing market.

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[3] https://nul.org/news/national-urban-league-urges-congress-meet-moment-housing-affordability-crisis

[4] https://www.cnbc.com/2025/10/07/home-sales-investors-make-up-highest-share-of-buyers-in-5-years.html#:~:text=Investors%20continue%20to%20own%20about,family%20homes%20in%20the%20country.

- **Section 1001: "Homes Are for People, Not Corporations",** which responds to growing concerns that large institutional investors are distorting the single-family housing market and making it more difficult for families to purchase homes in the communities where they live, work, and raise their children.

At the same time, this legislation must be understood as a first step, not the final answer to address housing affordability. Simply put, housing costs and the cost of living have not kept pace with wage growth. Congress must build on foundation of this legislation and begin laying the groundwork for a demand-focused "21st Century ROAD to Housing 2.0" For millions of families, the central question is not only whether more homes will be built, but whether those homes will be affordable, fairly financed, insurable, accessible, and available to the people and communities most burdened by the crisis.

New housing supply unlocked by the 21st Century ROAD to Housing Act must be paired with direct affordability tools, strong fair housing enforcement, responsible implementation, and demand-side solutions that help renters achieve stability and help first-time and first-generation homebuyers enter the market to retain the asset as a means of wealth-building for future generations.
on fair terms.

As Congress builds on this bipartisan achievement, we urge you to advance a comprehensive national housing agenda that includes builds upon the 21st Century ROAD to Housing framework and includes the following priorities:

- **Provide robust downpayment assistance for first-generation homebuyers by passing "**The Downpayment Toward Equity Act" and related proposals would help families overcome one of the most significant barriers to homeownership, particularly in communities that have experienced generations of redlining, appraisal bias, discrimination, and unequal access to credit.

- **Fully fund and enforce fair housing and civil rights protections.** The Fair Housing Act and related civil rights laws are essential safeguards that make housing markets more transparent, accountable, and just. Congress should provide strong and sustained funding for fair housing enforcement, including the Fair Housing Initiatives Program, the Fair Housing Assistance Program, and HUD's Office of Fair Housing and Equal Opportunity.

- **Advance homeownership preservation and affordability** measures through bipartisan support for legislative proposals such as:

    - "The HEIRS Act" to help families resolve heirs' property issues, retain their home, and preserve intergenerational wealth;
    - "The Housing Financial Literacy Act" to lower costs for first-time homebuyers who complete housing counseling while equipping them with tools to make informed, sustainable financial decisions; and
    - "The Mortgage Insurance Freedom Act" to ensure FHA borrowers who have built sufficient equity are not required to continue paying unnecessary mortgage insurance premiums. Ending these premiums at the appropriate threshold would lower monthly payments, help

homeowners retain more of their income, and allow families to direct resources toward savings, home repairs, education, and other wealth-building goals.

These proposals are especially important to the National Urban League, and our housing counseling affiliates, as your Congressional peers recognize the essential truth: While increasing the supply of housing is necessary, it alone is not sufficient. We must also ensure that families can qualify for a mortgage, afford monthly payments, use rental assistance, establish downpayment assistance, and preserve inherited property so they are able to remain in the communities they call home. This, along with additional measures, is an example of what will help spur homeownership rates and build off the great work and catalyst that the 21st Century Road to Housing Act as the largest and most significant federal housing affordability package in 36 years.[5]

Additionally, Congress should prioritize the responsible exit of Fannie Mae and Freddie Mac from conservatorship to unlock revenues that have accumulated on behalf of the American people since the 2008 Financial Crisis. Those revenues should be dedicated to a recurring Housing Trust Fund whose sole purpose is to finance the construction of affordable and workforce housing across the nation. While the Capital Magnet Fund (CMF) and the Housing Trust Fund (HTF) are already established and funded through required contributions from the Federal Housing Finance Agency (FHFA) under the Housing and Economic Recovery Act (HERA) of 2008, specifically through an annual set aside of 4.2 basis points (0.042 percent) on each dollar of unpaid principal from the Enterprises' new business purchases, additional resources are still needed to meet the moment.[6] This is an opportunity for innovation at a time when potential homeowners are seeking additional funding the most.

This additional stream of revenue, if properly managed and directed, could unleash significant investment in urban, suburban, and rural communities alike. It would provide the market with a more durable and predictable source of capital for affordable housing, strengthen public-private partnerships, support local development capacity, and help close the gap between what it costs to build housing and what working families can afford to pay. The National Urban League's own experience, most notably through our 17-story mixed-use Urban League Empowerment Center in Harlem, which delivers 177 units of entirely affordable housing alongside retail space, office space, and our national offices, demonstrates what is possible when public leadership, private capital, and mission-driven institutions work together.[7]

The bipartisan passage of the 21st Century ROAD to Housing Act is an important achievement. It should also be a catalyst. We urge Congress to build on this foundation by advancing a second phase of housing reforms focused squarely on affordability, fair housing, rental stability, homeownership access, and wealth-building. Families need more homes, but they also need a fair chance to afford them, finance them, insure

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[5] https://www.nytimes.com/2026/06/23/us/politics/congress-housing-bill.html

[6] https://nlihc.org/resource/fhfa-announces-196-million-2024-national-housing-trust-fund#:~:text=The%20Federal%20Housing%20Finance%20Agency,Mac%20(the%20Enterprises)%20in%202024.

[7] https://nul.org/news/opening-empowerment-center-harlem-marks-milestone-national-urban-league-history-under

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them, and remain in them.

We look forward to working with you to continue advancing a comprehensive housing agenda that meets the scale of this crisis and ensures that the American Dream is attainable to all families across the nation. I eagerly await your response and opportunities for collaboration towards this shared goal.

Sincerely,

Marc H. Morial
President & Chief Executive Officer
National Urban League