



# News – NAHRO.ORG

## House Releases FY 2026 THUD Bill

July 14, 2025 — On July 13, the House released its draft fiscal year (FY) 2026 Transportation, Housing and Urban Development (THUD) [appropriations bill](#). The THUD Appropriations Subcommittee will meet [today at 5pm ET](#) for the bill's mark up. The Appropriations Committee will meet [Thursday](#) for its full mark-up. Unlike the [President's budget proposal](#), the House does not propose combining tenant-based rental assistance accounts into a single State Rental Assistance Block Grant.

The House proposal includes several funding reductions, most notably eliminating funding for the HOME Investment Partnerships Program and significantly cutting the administrative fee account for the Housing Choice Voucher (HCV) Program. The Housing Assistance Payment (HAP) renewal account would be flat-funded, which, given rising rental costs, effectively amounts to a funding cut. The bill also proposes reductions to the Public Housing Program, including a \$501 million cut to the Operating Fund and a \$914 million cut to the Capital Fund. Additionally, it would implement certain policy changes, such as allowing PHAs to voluntarily establish alternative payment structures for the Public Housing and Section 8 programs and would rescind any unobligated FY 2025 funds from public housing, the Choice Neighborhoods Initiative, and certain Community Development programs at the time the bill is enacted.

The Senate has yet to release its FY 2026 budget proposal. Ultimately, the House and Senate will need to reconcile their proposals and agree on final funding levels for FY 2026. The current fiscal year concludes September 30, 2025.

NAHRO will continue to educate lawmakers about the importance of these programs and the need for adequate funding in light of our housing affordability and supply crisis. This includes providing testimony on the importance of the HOME program at an upcoming hearing held by the House Financial Services Subcommittee on Housing and Insurance this Wednesday, July 16 at 2pm ET. Learn more and watch the livestream [here](#).

Additional, in-depth, information on these [accounts](#) and the accompanying policy changes will be sent next week. [Send a letter](#) to your member of Congress today about the importance of adequate funding for housing and community development programs.

## Bill Highlights

- Public Housing Fund:
  - Operating Fund: \$4.975 billion, a reduction of \$501 million from FY 2025.
  - Operating Fund Shortfall: \$25 million, level funding with FY 2025.
  - Capital Fund: \$2.286 billion, a reduction of \$914 million from FY 2025.
- Section 8:
  - Voucher renewal funding (Housing Assistance Payments): \$32.145 billion for voucher renewal funding. This would be the same funding as the prior year.
  - Administrative Fees: \$1.975 billion, a reduction of \$795 million.
  - Tenant Protection Vouchers: \$375 million. The bill would allow tenant protection vouchers to be used for Emergency Housing Voucher families that would otherwise be terminated because of a lack of funding. This would be an increase of \$38 million.
  - Mainstream Vouchers: \$743 million level funding as FY 2025.
  - Project-Based Rental Assistance (PBRA): \$17.127 billion for project-based rental assistance, a \$637 million increase.
- Community Development:
  - HOME: The House bill would eliminate funding for the HOME program. This would be a reduction of \$1.25 billion compared to FY 2025.
  - CDBG: \$3.3 billion, level with FY 2025.
  - Homeless Assistance Grants: \$4.158 billion, an increase of \$107 million compared to FY 2025. This amount includes funding for Continuums of Care, Emergency Solutions Grants, and the National Homeless Data Analysis Project.
  - Choice Neighborhoods: The House would eliminate funding for the program, a reduction of \$75 million compared to FY 2025.
- Self-Sufficiency:
  - FSS: \$125 million, a \$16 million reduction from FY 2025.
  - ROSS: \$35 million, a \$5 million reduction from FY 2025.
  - Jobs-Plus: \$15 million, level funding from FY 2025.

The House THUD appropriations bill can be found [here](#). Additional information on funding levels for other programs can be found [here](#).