



## Bipartisan Policy Center Action

March 20, 2026

Senate and House Transportation, Housing and Urban Development, and Related Agencies Subcommittee Leadership:

Chair Cindy Hyde-Smith (R-MS)

Ranking Member Kirsten Gillibrand (D-NY)

Chair Steve Womack (R-AR)

Ranking Member James E. Clyburn (D-SC)

Dear Chairs Hyde-Smith and Womack and Ranking Members Gillibrand and Clyburn:

The Bipartisan Policy Center and its advocacy affiliate, BPC Action, work together with leaders from both parties on solutions to lower the everyday cost of living and create more opportunities for Americans. On behalf of BPC and BPC Action, I am pleased to share our priorities for the Transportation, Housing and Urban Development, and Related Agencies (THUD) subcommittees for fiscal year 2027:

- **Increased funding for the Housing Choice Voucher Program (HCV)** — Office of Public and Indian Housing, Department of Housing and Urban Development.
- **Increased funding to prevent veteran homelessness** — HUD-Veterans Affairs Supportive Housing (HUD-VASH) and Tribal HUD-VASH programs, Office of Public and Indian Housing, Department of Housing and Urban Development.
- **Robust funding for Homeless Assistance Grants** — Continuum of Care and Emergency Solutions Grants programs, Office of Community Planning and Development, Department of Housing and Urban Development.
- **\$50 million for the Recovery Housing Program** — Office of Community Planning and Development, Department of Housing and Urban Development.
- **Expansion of Rental Assistance Demonstration program** — Office of Housing, Office of Public and Indian Housing, Department of Housing and Urban Development.
- **Deployment of funding for the SUPER Demonstration program** — Office of Community Planning and Development, Office of Public and Indian Housing, Department of Housing and Urban Development.
- **Community Development Block Grant Disaster Recovery (CDBG-DR) program funding and codification** — Office of Community Planning and Development, Department of Housing and Urban Development.
- **Sustained, predictable federal transportation funding** — Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration, Department of Transportation.

High housing costs that far outpace incomes impact millions of Americans in urban, suburban, and rural areas alike. A record [43.5 million](#) households—including half of all renter

households—are cost burdened, paying more than 30% of their income on housing, leaving little to pay for other necessities like food, child care, transportation, and health care. Homelessness is also a national challenge. [More than 770,000](#) Americans—including a growing number of older adults and families with children—experience homelessness on any given night, an 18% increase from 2023 to 2024.

Housing is foundational. Access to safe, stable housing is linked to better [health and educational outcomes](#) for children, while housing supply constraints can hinder individual financial security as well as broader [economic growth](#). Three in four adults believe the lack of an adequate supply of affordable homes is a [national problem](#). It is critical that Congress act to address these concerns. Programs at the Department of Housing and Urban Development and the Department of Transportation play a vital role in supporting families and strengthening communities.

**We have attached additional information supporting these recommendations, along with our considerations for fiscal responsibility.**

Thank you for your consideration. If you have any questions, please contact Michael Kelley, senior director for BPC Action, at [MKelley@bpcaction.org](mailto:MKelley@bpcaction.org).

Sincerely,



Michele Stockwell  
President, Bipartisan Policy Center Action



**FY2027 Appropriations Priorities:  
Transportation, Housing and Urban Development, and Related Agencies (THUD)  
Subcommittees**

Rapidly rising debt and interest payments are slowing growth and making it more expensive for Americans to buy cars and homes, attend college, or pay off credit cards. To achieve fiscal sustainability, BPC recommends that Congress enact legislation to reduce the growth of mandatory program spending and increase federal revenue. For FY27, at a minimum, Congress should ensure that discretionary spending grows no faster than inflation. At the same time, BPC believes it is achievable to prudently invest in agencies and programs that expand opportunities for American families and businesses.

With these principles in mind, BPC Action respectfully recommends:

**Housing Choice Voucher Program**

The HCV program provides essential stable housing and economic opportunity for more than 2.3 million low-income families nationwide. Research shows that housing vouchers effectively improve renters' housing quality and stability, yet just one in four eligible households receives assistance. To keep pace with rent growth and provide adequate assistance to more eligible families, additional federal funding and reforms to make the program more efficient and impactful are both needed. BPC Action supports increased funding for the HCV program to improve housing security for more eligible families.

With half of all renters (a record high of 22.6 million households) spending more than 30% of their income on housing, the HCV program offers a critical source of federal support in today's rental market. Unfortunately, landlord participation in the program has declined in recent years, due to its administrative requirements. The bipartisan [Choice in Affordable Housing Act](#) (H.R. 1981/S. 890) would directly address many challenges cited by landlords to encourage greater participation, through offering financial and other incentives, reducing inspection delays, and emphasizing the importance of positive landlord interactions in measuring how effectively public housing agencies manage their HCV programs. BPC Action supports the appropriation of \$107 million annually, the proposed authorization amount in S. 890.

Housing stability is especially critical for young children. Research shows that children who move at an early age to lower-poverty neighborhoods have significantly higher college attendance rates and later-life earnings. Through targeted mobility vouchers and counseling, the bipartisan [Family Stability and Opportunity Vouchers Act](#) would help unstably housed or at-risk families with young children move to areas with higher-performing schools, child care options, and other critical resources.<sup>1</sup> BPC Action supports the appropriation necessary to fund 50,000 new vouchers as authorized by this proposal.

Youth aging out of the foster care system are particularly vulnerable and experience high rates of housing instability and homelessness. Each year, more than 15,000 young people age out of



the foster care system, often without a stable place to live. HUD's Foster Youth to Independence (FYI) Initiative provides rental assistance, in conjunction with supportive services, to those youth at risk of experiencing homelessness. [BPC Action supports appropriations for the FYI Initiative at a level sufficient to ensure it can continue to be a source of stability for former foster youth.](#)

The Emergency Housing Voucher (EHV) program is helping nearly 60,000 households who were experiencing, or at immediate risk of homelessness, particularly families with children, afford rental housing. Created in 2021 as a temporary program, the program's funding is nearly exhausted. In its FY2026 THUD spending bill, Congress appropriated \$600 million for new tenant protection vouchers, allowed housing authorities to use these funds in calendar year 2026 to support EHV households that would otherwise be terminated due to insufficient funding, and provided administrative flexibilities to facilitate the transition of EHV households to tenant-based rental assistance. [BPC Action supports the appropriations and administrative flexibilities necessary to fully transition any remaining EHV voucher holders to tenant-based rental assistance in FY2027.](#)

### **HUD-VA Supportive Housing Program**

Over the past decade, significant progress has been made toward reducing the number of veterans experiencing homelessness, thanks in part to strong support for evidence-based interventions and robust intergovernmental and interagency coordination—namely through the HUD-VASH program. Still, nearly 33,000 veterans experience homelessness on any given night. A [BPC and Morning Consult](#) poll found more than 80% of Republicans and Democrats support expanding federal assistance for veterans experiencing or at risk of homelessness. [BPC Action supports increased funding for the HUD-VASH program to further reduce homelessness for veterans.](#)

### **Tribal HUD-VA Supportive Housing Demonstration Program**

American Indians and Alaska Natives (AIAN) have one of the highest representation rates in the armed forces. In 2024, they also made up 4% of veterans experiencing unsheltered homelessness. Individuals living on tribal lands experience some of the nation's most severe unmet housing needs, facing exceptionally high poverty rates, low incomes, overcrowding, lack of basic utilities, and unique barriers to development. The Tribal HUD-VASH program, established in 2015, provides rental assistance to AIAN veterans at risk of homelessness. [BPC Action supports increased funding and permanent authorization of the Tribal HUD-VASH program.](#)

### **Homelessness Assistance Grants**

Rising housing costs and persistent shortages have led to significant increases in homelessness in many communities, with an 18% increase in homelessness nationwide from 2023 to 2024. Homelessness Assistance Grants provide funding for critical programs—such as the Continuum of Care (CoC) and Emergency Solutions Grants (ESG)—that communities across the country depend on to operate coordinated entry systems, expand their housing and



supportive services, and provide emergency shelter and homelessness diversion services. [BPC Action supports robust, stable funding for Homeless Assistance Grants to ensure communities have the resources needed to prevent and reduce homelessness.](#)

### **Recovery Housing Program**

Between 1999 and 2022, opioid overdose deaths in the U.S. increased tenfold. In 2023 alone, opioids killed nearly 80,000 people. Access to stable housing can make it easier for people struggling with addiction to address their health needs. The Recovery Housing Program, originally a pilot program authorized by the SUPPORT Act, allowed states to provide up to two years of transitional housing for individuals in recovery. Although the pilot program expired in 2023, the bipartisan Safe and Secure Housing for Opioid Recovery and Enduring Stability (Safe SHORES) Act (S. 1461) would reauthorize the program and increase its annual funding. [BPC Action requests \\$50 million for the Recovery Housing Program, as included in this proposal.](#)

### **Rental Assistance Demonstration (RAD) Program**

More than 1.5 million low-income people live in public housing. Yet, more than half of the public housing stock was built before 1975, resulting in significant maintenance and rehabilitation needs. HUD's RAD program helps preserve and modernize public housing units by enabling public housing authorities to leverage existing rental subsidies to attract private capital for their revitalization efforts. However, under current law, RAD conversions are capped at 455,000 units, and conversion applications are subject to a competitive selection process and sunset date. The bipartisan [Renewing Opportunity in the American Dream \(ROAD\) to Housing Act of 2025 \(S. 2651\)](#) would lift the cap on conversions. [BPC Action supports lifting the cap on RAD conversions, as reflected in this proposal, and eliminating the sunset date for applications to be received to preserve more affordable rental housing.](#)

### **Speeding Up Production of Essential Residences (SUPER) Demonstration Program**

Today's housing affordability crisis is directly related to the inadequate supply of affordable homes, particularly in opportunity-rich neighborhoods. To address this urgent need for affordable housing, Congress should authorize a new demonstration program designed to fast-track the construction of affordable homes by eliminating unnecessary regulatory requirements and leveraging public resources to encourage private investment. The demonstration program would generate insights into effective local strategies and inform evidence-based regulatory changes to accelerate housing production more broadly if expanded. The demonstration program, as laid out by the bipartisan SUPER Demonstration Act, would not require additional funding but instead could strategically deploy a percentage of the previously appropriated, unobligated COVID-19 relief funds.<sup>2</sup> [BPC Action supports the use of previously appropriated but unobligated COVID-19 relief funds to support this proposal.](#)

### **Community Development Block Grant Disaster Recovery Program**

HUD's CDBG-DR program was first funded almost three decades ago and, in the intervening years, has become one of the most significant sources of long-term rebuilding assistance after a major disaster. Yet uncertain funding, broadened requirements, expanded expectations,



inadequate administrative resources, and a creeping undergrowth of policies (as process and programmatic tweaks accumulate in the absence of the program's permanent authorization) all jeopardize the program's effectiveness. Sec. 501 of the bipartisan [ROAD to Housing Act \(S. 2651\)](#) proposes to reform and codify the CDBG-DR program to make it more predictable and impactful. As it stands today, the CDBG-DR program has no remaining funding for additional grant allocations. In fact, the last major disaster to receive CDBG-DR assistance was declared in October 2024, leaving potentially eligible disasters in 2024, 2025, and 2026 without the aid that jurisdictions have received in the past to rebuild homes and infrastructure. [BPC Action supports the provisions in the ROAD to Housing Act to codify and reform CDBG-DR, and the appropriations necessary to address outstanding, eligible unmet disaster recovery needs.](#)

### **Federal Surface Transportation Programs**

With the Infrastructure Investment and Jobs Act (IIJA) set to expire on September 30, 2026, it is critical that FY2027 appropriations align with ongoing efforts to enact a bipartisan surface transportation reauthorization. We urge the committee to provide the fully authorized funding levels for federal surface transportation programs from this forthcoming legislation.

If a multi-year, bipartisan reauthorization is not enacted before the appropriations process concludes, appropriators should establish a baseline for FY2027 that maintains the annual contract authority and the supplemental advance appropriations provided in IIJA's final year (FY2026), adjusted for inflation. Continuing funding at annual authorized levels without accounting for expiring advance appropriations or historically high project costs would result in a significant net decrease in infrastructure investment.

Importantly, we recognize that sustaining higher levels of federal transportation investment long-term will require addressing the structural insolvency of the Highway Trust Fund (HTF); we will continue to encourage Congress to consider [options to stabilize the HTF](#), while also providing state and local officials with the funding certainty they need to deliver projects. [BPC Action supports funding levels for federal transportation programs as authorized or, in the absence of a timely reauthorization, the extension of current funding levels, adjusted for inflation.](#)

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<sup>1</sup> The Family Stability and Opportunity Vouchers Act was introduced in the 118th Congress by Reps. Joe Neguse (D-CO) and Brian Fitzpatrick (R-PA) (H.R. 3776) and Sen. Chris Van Hollen (D-MD) and Todd Young (R-IN) (S. 1257). The bill has not yet been introduced in the 119th Congress.

<sup>2</sup> The SUPER Demonstration Act was introduced in the 118<sup>th</sup> Congress by Reps. Juan Ciscomani (R-AZ) and Wiley Nickel (D-NC) (H.R. 9195). The bill has not yet been introduced in the 119<sup>th</sup> Congress.

