

The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Tim Scott
Chairman
Committee on Banking, Housing, and Urban Affairs
Washington, DC 20510

The Honorable Elizabeth Warren
Ranking Member
Committee on Banking, Housing, and Urban Affairs
Washington, DC 20510

July 14, 2026

Dear Majority Leader Thune, Minority Leader Schumer, Chairman Scott, and Ranking Member Warren,

On behalf of the Council of State Community Development Agencies (COSCD A), thank you for your stewardship of the 21st Century ROAD to Housing Act. From the first markup in July 2025 through enactment in July 2026, this landmark housing and community development law could not have passed without your strong leadership. Housing affordability is a key concern for the American public. ROAD is a meaningful step toward helping families across the nation afford a place to live. We applaud the extraordinary efforts Senate leadership and staff made to ensure ROAD's enactment into law.

COSCD A is a national association comprised of state agencies that administer Department of Housing and Urban Development (HUD) grants. Our members have a wealth of experience with grants such as the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grants (ESG), and the CDBG Disaster Recovery (CDBG-DR) program. **We are pleased to see provisions in the final version of ROAD that will improve HUD's grant programs. COSCD A specifically applauds the inclusion of the sections listed below.**

Section 204: Addition of affordable housing construction as an eligible activity

This section will expand the flexibility of HUD's CDBG program. State and local CDBG recipients can now use up to twenty percent of their grants to support the construction of new affordable housing.

Section 206: Unlocking Housing Supply Through Streamlined and Modernized Reviews Act

This section streamlines cross-cutting environmental review (NEPA) requirements for small and infill housing projects. HOME, HTF, CDBG, and other grantees will benefit from the reduced administrative burden while still protecting the environment where necessary.

Section 501: HOME Investment Partnerships Reauthorization and Reform Act

This reauthorization and modernization of HOME aligns HUD's flagship housing supply program with current development realities. Section 501 streamlines outdated requirements, increases the flexibility of HOME grants, and preserves what works within the HOME program.

Section 503: Incentivizing Local Solutions to Homelessness

This section allows ESG recipients to apply for a waiver of the sixty percent cap on emergency shelter and street outreach activities. The waiver will provide additional flexibility for states and localities to respond to homelessness in their communities.

Section 504: Reforming Disaster Recovery Act

For the first time, this section authorizes the CDBG-DR program. The codification of CDBG-DR should expedite the delivery of disaster assistance to communities in need. It will also help grantees better understand the program and their administrative responsibilities.

We appreciate the Committee on Banking, Housing, and Urban Affairs' transparency with housing stakeholders throughout the development of *ROAD*. COSCDA looks forward to a continued partnership with the committee. **Over the next several years, COSCDA will work with HUD, Congress, and our state agency members to help implement *ROAD* and make housing more affordable. Thank you again for your commendable efforts.**

Sincerely,

A handwritten signature in black ink, appearing to read 'Tess Hembree', with a stylized, cursive script.

Tess Hembree
Executive Director
Council of State Community Development Agencies (COSCDA)