21st Century "Renewing Opportunity in the American Dream" (ROAD) to Housing Act

The 21st Century ROAD to Housing Act is the most significant bipartisan, bicameral federal housing package in more than a decade. ALTA **supported** the package, noting *"homeownership is an essential part of the American dream. The 21st Century ROAD to Housing Act will unlock housing supply across the country and help more Americans achieve that dream."*

The law relies entirely on existing program funding and regulatory and program changes to meet its supply and affordability goals. The package includes over 40 provisions – some highlights include:

Increasing the Nation's Housing Supply:

- **Cutting Red Tape:** 1) Streamline environmental reviews for certain federally funded housing projects and empower state, local, and tribal governments to streamline reviews, 2) develop best practice frameworks for zoning and land-use policies, helping communities identify and overcome barriers to housing development and 3) use federal funds to incentivize further reduce overly burdensome regulations.
- **Housing Innovation Fund:** Establishes competitive HUD grants for localities and tribes that increase housing supply.
- **FHA Multifamily:** Raises loan limits, growing the pool of multifamily transactions eligible for FHA insurance.

Restrict Institutional Investors from Buying Single Family Homes:

- **Restriction:** Bars large institutional investors (350+ single-family homes) from buying additional homes. Exemptions exist for certain purpose-built units such as build-to-rent, renovate-to-rent and seniors housing. The ban sunsets after 15 years.
- **Enforcement:** Treasury or DOJ enforce violations through civil penalties of the greater of $1 million or 3x the purchase price, not through forfeiture or any action clouding title. ALTA supports this structure because it places compliance obligations on *investors alone*, preserving the title industry's neutral role.
- **Divestment & Compliance:** Existing holdings face no forced divestment, and the law creates no tenant right to purchase.

Manufactured Housing: Removes the permanent chassis requirement for manufactured homes, allowing for greater access to financing, and directs agencies to identify ways to encourage modular housing construction.

Heirs Property Study: Directs a GAO study, within one year, on residential heirs property, including a uniform definition, prevalence estimates, and recommendations tied to UPHPA adoption.

Small-Dollar Mortgages: Establishes FHA pilot to expand access to small-dollar mortgages, which may cover title insurance and closing costs.

Appraisal Reforms: Expands FHA-eligible appraisers to include both licensed and certified appraisers, not certified only, with new education requirements and grandfathering for already-approved appraisers.

Community Banking: Eases certain rules for smaller community banks and credit unions and encourages new bank formation.

Central Bank Digital Currency (CBDC) Ban: Bars the Federal Reserve from issuing a central bank digital currency through 2030, with an exception for open, permissionless, privately issued currency.