

July 11, 2025

The Honorable Cindy Hyde-Smith
Chair
Senate Appropriations Subcommittee on Transportation, Housing and Urban
Development, and Related Agencies
U.S. Senate
Washington, DC 20510

Dear Chair Hyde-Smith:

The National Housing Conference (NHC) is the nation's oldest and broadest affordable housing coalition. We write to express deep concern over the President's fiscal year (FY) 2026 discretionary budget request, which proposes nearly a 44% reduction in the Department of Housing and Urban Development (HUD)'s funding. These cuts would eliminate or drastically reduce proven programs such as Housing Choice Vouchers (HCV), the HOME Investment Partnership Program (HOME), Community Development Block Grants (CDBG), the Family Self-Sufficiency (FSS) program, and NeighborWorks America (NWA).

While there are reasonable reforms and efficiencies to be made in HUD's budget, we believe those efficiencies must improve and leverage support for affordable housing, not reduce or replace already under-resourced programs. Delays and freezes in grants and contracts, as well as drastic staffing cuts, have significantly undercut operations of local housing providers and likely delayed the production and increased the cost of affordable housing units. As a result, the proposed cuts would ultimately exacerbate the existing supply crisis, increase costs for low- and middle-income American households, force some apartment owners and operators out of business, and drive up homelessness.

We request that you maintain current funding levels across the board, and that any significant restructuring of programs such as the HCV program be discussed in the authorizing committees with significant consultation of state and local stakeholders, as well as industry and nonprofit stakeholders. These proposed reductions would have a devastating impact on millions of Americans, particularly the most vulnerable, in rural, tribal, suburban, and urban communities across the United States. Significant affordable housing and community development gains were made in the One Big Beautiful Bill Act, and it is critical that those not be undermined by cuts in other existing and highly successful affordable housing programs.

Our nation's housing crisis is experienced by every American in every community. According to the NHC's [Paycheck to Paycheck](#) database, between 2019 and 2024 in Gulfport, Mississippi, the income needed to afford a 2-bedroom apartment rose by 46.62%, making it unaffordable for workers in many key occupations—including medical assistants, firefighters, and retail supervisors. As of year-end 2023, Federal rental assistance supported 5 million people (or 2.3 million households) nationally,

which is only one in four of the eligible households, according to the [Congressional Research Service](#). [In Mississippi](#), federal rental assistance supports 136,700 people (or 61,000 households). Four in 10 low-income Mississippians pay over half their income for rent or are experiencing homelessness.¹

The HCV works in partnership with the Family Self-Sufficiency program which helps families who receive HCVs, public housing tenants, and tenants in the Section 8 Project-Based Rental Assistance (PBRA) program achieve economic independence. We are deeply concerned about proposed funding cuts for FSS. This bipartisan program is the federal government's largest asset building program for families with low incomes. FSS provides people living in federally subsidized housing with the opportunity to build savings by capturing increased family rent payments due to increased earnings. Families in the program also have the opportunity to access services such as financial coaching or case management. FSS also enables families to leverage their housing assistance as a platform for economic mobility and to achieve their financial goals. Full funding at the FY 2024 level will allow this asset-building program to serve more households, and help more families graduate to the self-sufficiency we all support.

The HOME program is a deeply impactful, locally-driven program that often provides essential gap financing for other programs such as the Low-Income Housing Tax Credit (LIHTC), and has made a difference in communities across your state. It is a flexible, cost-effective program with quantifiable impact and broad bipartisan support. [In Mississippi](#), over \$338.9 million HOME funds have been invested from 1992-2024. \$1.9 billion investments have been leveraged, over 11,000 homes built or preserved, 2,600 families have received rental assistance, over 18,500 jobs have been supported, and \$1.2 billion in local income has been generated.

[NeighborWorks America](#) (NWA) is a highly effective organization that serves the housing needs of millions of households throughout the United States, especially in highly underserved rural areas in red states. As a Congressionally chartered nonprofit, NWA is independent, and none of its staff are federal employees. It is funded primarily by annual appropriations directly from Congress, in addition to some private grants and contributions. [In FY 2023, NWA had \\$232.5 million available](#) with all funding sources combined, of which \$166 million was from core Congressional appropriations. This funding provides flexible, strategic, training, and capital grants to 247 NWA network organizations. The NWA network leveraged its congressional appropriation 71:1 in [FY 2024](#).

Over the past 10 years, [NWA has created](#) 213,481 homeowners; constructed, acquired and preserved 140,133 rental homes; developed 13,943 For Sale developed homes; counseled and educated 1,382,638 customers; and grown its rental portfolio by 49% from 2015 to 2024, increasing from 142,603 to 211,856 rental homes owned and

¹ A complete dataset of this information is available [here](#) and the Center for Budget and Policy Priorities methodology is available [here](#).

managed. [In Mississippi in FY 2024](#), NWA's total investment was over \$113.8 million. For every \$1 of Congressionally appropriated funds, NWA leveraged \$207 in total investments in Mississippi. It distributed \$551,000 in grants, owned and/or managed 732 rental homes, counseled and educated 97 customers, supported 83 new homeowners, constructed or preserved 174 new rental homes, and preserved or rehabilitated 27 homes.

Housing is a bipartisan issue that affects every American. We urge Congress to protect and strengthen federal investments in affordable housing and community development. Cutting these programs would undermine recent progress, exacerbate supply issues, further financially strain American households and businesses, increase homelessness, and harm local economies.

Thank you for your hard work and support for many of these programs, and your attention to this request. We look forward to working together to ensure housing stability for all Americans.

Sincerely,



David M. Dworkin
President and CEO

[About the National Housing Conference](#)

The National Housing Conference has been defending the American Home since 1931. NHC is a diverse continuum of affordable housing stakeholders that convene and collaborate through dialogue, advocacy, research, and education, to develop equitable solutions that serve our common interest – an America where everyone is able to live in a quality, affordable home in a thriving community. Politically diverse and nonpartisan, NHC is a 501(c)3 nonprofit organization.