

Bill: American Homes for Families Act (AHFA)

Purpose: Increase housing supply in high-opportunity areas through voluntary federal incentives for pro-housing local reforms, and protect starter-home access by limiting bulk acquisitions by very large institutional investors. Preserve local control, promote first-time homeownership, and require transparency and evidence review.

Title I — Pro-Housing Partnership Grants

Section 101 — Authorization and Purpose

- **Authorization of Appropriations:** There is authorized to be appropriated **\$5,000,000,000** for fiscal years 2026–2030 to carry out this Title. Funds shall be awarded competitively to states, counties, and municipalities that opt into the program and meet eligibility criteria.

- **Purpose:** Provide capital for infrastructure, school capacity, and permitting modernization to support additional housing units created by local land-use reforms.

Section 102 — Eligible Reforms (Menu and Scoring)

- Jurisdictions may select reforms from a HUD-published menu. **Core eligible reforms** (illustrative scoring):
 - **ADUs by right** on most residential lots — *10 points*.
 - **Legalize duplexes/triplexes/fourplexes** on parcels currently zoned single-family — *20 points*.
 - **Eliminate or reduce parking minimums** within 0.5 miles of transit — *8 points*.
 - **Reduce minimum lot sizes** below 5,000 sq. ft. in urbanized areas — *12 points*. ○

Permitting streamlining (reduce average approval time by $\geq 30\%$) — *15 points*.

- **Scoring and award:** HUD awards grants based on total points and demonstrated capacity to implement (e.g., permitting staff, infrastructure plans). At least **25%** of funds are reserved for smaller jurisdictions (population <100,000).

Section 103 — Grant Conditions and Outcomes

- Grantees must commit to measurable outcomes: **units permitted, permitting time reduced, ADUs created, or new multifamily units permitted** within 3 years. ● Grantees must adopt at least one policy benefiting first-time buyers or cost-burdened renters (examples: down-payment assistance targeted to first-time buyers; tenant relocation assistance; first-look programs for owner-occupants).

Section 104 — Transparency and Timeline

- HUD shall publish a **Pro-Housing Scorecard** and a public dashboard within 180 days of enactment. Rulemaking completed within 180 days; first grants awarded within 12 months.

Title II — Starter-Home Protection and Investor Transparency

Section 201 — Definitions

- **“Large Institutional Single-Family Investor”** means any entity (including affiliates) that owns or controls **more than 1,000** single-family residential properties in the United States.
- **“Starter Home”** means a single-family home with a sale price at or below **120% of the county median sale price** (adjusted annually).

Section 202 — County-Level Purchase Cap

- A large institutional investor **may not acquire** in any calendar year more than **2%** of the county's stock of starter homes, measured at the start of the year. HUD shall publish county starter-home counts annually.
- **Exemptions:** nonprofit housing providers, community land trusts, build-to-sell developments where homes are sold to owner-occupants within 24 months, and investors below the ownership threshold.

Section 203 — First-Look for Owner-Occupants on Government Dispositions • For foreclosed or government-owned starter homes, a **30-day first-look period** is required during which owner-occupant buyers, nonprofits, and local governments may submit offers before large institutional investors may bid.

Section 204 — Reporting, Enforcement, and Sunset

- **Annual reporting:** Large institutional investors must file an annual report to HUD with county-level acquisitions and dispositions of single-family homes, including purchase price and intended use (rental vs. sale).
- **Penalties:** Civil penalties up to **\$50,000** per violation for willful non-reporting; lesser penalties for negligent failures.
- **Sunset and study:** Title II sunsets after **10 years**. GAO and HUD must complete a public study within 9 years assessing impacts on prices, rents, homeownership rates, and investor behavior; Congress may renew, amend, or allow expiration based on evidence. **Title III —**

Oversight, Legal Safeguards, and Equity Protections

Section 301 — No Preemption of Local Authority

- Nothing in AHFA preempts state or local land-use authority. Participation in Title I is

voluntary.

Section 302 — Anti-Displacement and Equity Requirements

- Grant applicants must submit an **Equity Impact Assessment** and a plan to mitigate displacement (tenant protections, relocation assistance, phased implementation). **Section**

303 — Audits and Cost Estimates

- OIG audits of grant awards and investor reporting. CBO cost estimate required prior to initial appropriations obligation.

Bipartisan appeal

Conservative and Republican appeal

- **Local control preserved:** Participation is voluntary; no federal zoning mandates.
- **Market-oriented supply response:** Incentives unlock private building rather than imposing price controls.
- **Targets only the largest investors:** Small landlords and local investors are exempt.
- **Fiscal accountability:** Grants tied to measurable outcomes and audited. **Progressive**

and Democratic appeal

- **Equity and anti-displacement:** Requires equity assessments and tenant protections.
- **Limits corporate concentration:** Guardrails protect starter homes from being permanently converted into corporate rental stock.
- **Direct help for first-time buyers and renters:** Grantees must adopt at least one direct assistance policy.

Independent/Common Ground appeal

- **Single-issue, transparent, evidence-driven:** Focused on practical fixes with a sunset and mandatory evaluation; appeals to voters tired of partisan grandstanding.
and sunset the policy so Congress can act on evidence.”

Implementation checklist and next steps for campaign materials

- **Finalize statutory text** for Titles I–III with exact scoring rubric and enforcement language.
- **Request CBO score** and OMB review before public rollout.
- **Prepare three local case studies** (e.g., Minneapolis ADU/duplex reforms; Portland permitting changes; New Rochelle zoning changes) with permit and rent figures for debate prep.
- **Draft one-page policy brief** and 2-page rapid rebuttal packet for John’s debate team.

Sources and supporting documents

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