House Appropriations Committee Releases Draft FY26 Spending Bill

On July 13, the U.S. House of Representatives Committee on Appropriations released their draft fiscal year (FY) 2026 Transportation, Housing and Urban Development (THUD) spending bill, which provides annual funding for the U.S. Department of Housing and Urban Development (HUD). The proposal would fund HUD at $67.8 billion, a decrease of $939 million provided for HUD programs in FY25. For details, see the National Low Income Housing Coalition's (NLIHC's) complete analysis and updated budget chart.

Snapshot of the draft House THUD spending bill:

- It does not include the White House's proposal to combine HUD's five largest rental assistance programs into a state-run block grant.
- It does propose a $773 million decrease for the voucher program overall and level funding—$32.14 billion—for voucher renewals.
- Proposes cutting HUD staff by 26%
- CORRECTION: A total of $3.3 billion is identified for the Community Development Block Grant (CDBG) program, and another $2.3 billion is slated for Community Project Funding, better known as "earmarks," which are spending requests submitted by members of Congress for specific projects in their districts.
- Would eliminate CDBG's competitive PRO Housing Grants Program, which provides grants to encourage communities to adopt more inclusionary zoning practices to allow for the development of affordable housing
- Proposes no funding for the HOME Investment Partnerships Program (HOME).
- Proposes no funding for the Choice Neighborhoods Program, which was funded at $75 million the previous fiscal year
- Would not fund the U.S. Interagency Council on Homelessness (USICH).

The House's spending bill largely rejects the severe cuts proposed by the President in his FY26 HUD spending request, but it would still mean lower funding levels for key affordable housing programs than last year. The final numbers are still being negotiated, and the Senate THUD Subcommittee will release their own draft bill soon.