November 9, 2026

The Honorable Mike Lee
Chairman, Committee on Energy and Natural Resources
304 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Martin Heinrich
Ranking Member, Committee on Energy and Natural Resources
304 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Shelley Moore Capito
Chairman, Committee on Environment and Public Works
410 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Sheldon Whitehouse
Ranking Member, Committee on Environment and Public Works
456 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Lee, Chairman Capito, Ranking Member Heinrich, and Ranking Member Whitehouse,

We write in strong support of the housing provisions included in the Senate's bipartisan permitting reform package, the Bipartisan American Affordability and Jobs Act (BAAJA, S. 5653). These important housing reforms will streamline costly reviews and reduce delays and burdens in federally assisted housing development and will boost the supply of housing across the spectrum.

We have a housing shortage of millions of units and policymakers in both parties agree that our country needs to make it easier to build more housing, faster, as evidenced by Congress's recent passage of the 21st Century ROAD to Housing Act (P.L. 119-101).[1] **The housing provisions in BAAJA would significantly reform federal reviews, speeding up affordable housing development and making housing and community development funding more effective.**

[1] "2025 Housing Underproduction Report - up for Growth." 2025. Up For Growth. November 24, 2025. https://upforgrowth.org/news_insights/2025-hup/.

Too many of our federal housing programs involve a maze of red tape that leads to expensive paperwork and costly delays. This is especially true for federally assisted affordable housing development that involves lengthy environmental reviews (under the National Environmental Policy Act) and historic preservation determinations (under Section 106 of the National Historic Preservation Act), which largely do not apply to private sector housing development. Affordable housing developers report major delays of a year or longer to clear environmental review and even up to three months just to establish an exemption, even when projects involve minimal land disruptions. Many reviews require extensive documentation, public notice and lengthy analysis, and require federal reviews that duplicate prior environmental assessments. Sometimes the delays due to required federal reviews drag on so long it jeopardizes the whole project and its federal funding. Ultimately, these regulations have led to projects that take longer to construct, deliver fewer units, diminish trust, and result in worse outcomes for communities. This is the opposite of what should occur when the federal government invests in housing in local communities.

The Bipartisan American Affordability and Jobs Act has the potential to significantly alter federal reviews carried out by the Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA). Specifically, many projects supported by USDA and HUD with grants, loans, loan guarantees or other forms of financial assistance would no longer trigger federal historic preservation reviews and would likely be subject to streamlined federal environmental reviews. These changes would alleviate significant, major burdens in HUD programs, including the Community Development Block Grant (CDBG), HOME Investment Partnerships Programs (HOME), public housing assistance, Economic Development Initiatives (EDI), and HUD loan programs among others. Approximately $10 billion in housing assistance and community development annually through HUD, at minimum, would be affected. The reforms in BAAJA build upon the provisions included in the recently enacted 21st Century ROAD to Housing Act, which passed with strong bipartisan majorities.

Additionally, BAAJA would provide streamlined Clean Water Act reviews, saving up to an estimated $425,000 in permitting costs per project, according to the most recent study on Clean Water Act permit preparation costs.[2] This change would help boost private sector housing supply and reduce construction costs. In total, these reforms will bring greater predictability to the federal permitting process for home builders and help lower the cost of housing.

This carefully crafted deal was negotiated in good faith across the aisle, and has primarily received attention for its effects on energy and broader infrastructure projects. But its impact on housing development has received little attention even though it could be transformative for building more housing. We highlight the potential for its sweeping, positive effect on housing

[2] Sunding, David, and David Zilberman. 2002. “The Economics of Environmental Regulation by Licensing: An Assessment of Recent Changes to the Wetland Permitting .” *Natural Resources Journal* 42 (1).

because the housing crisis cannot wait. As policymakers continue to look for opportunities to boost housing supply and help lower costs, supporting BAAJA is a critical step. We urge members of the Senate and the House to pass the Bipartisan American Affordability and Jobs Act (S. 5653), to build more homes, faster and lower housing costs.

Sincerely,

Inclusive Abundance Action
National Community Development Association (NCDA)
Council of State Community Development Agencies (COSCDA)
National Housing & Rehabilitation Association (NH&RA)
National Association of Home Builders (NAHB)
Center for Public Enterprise Action Fund
Institute for Progress (IFP)
Niskanen Center
YIMBY Action and chapters
Up For Growth Action

YIMBY Chapters
Tucson for Everyone
YIMBY Maricopa
YIMBY Denver
YIMBY Fort Collins
YIMBY North Metro
YIMBY Arvada
DC YIMBYs
Orlando YIMBY
YIMBY Tampa
Gainesville is for People
More Homes Miami
Abundant Housing Atlanta
Athens Urbanists
Hawai'i YIMBY
Abundant Housing Illinois
CUrbanism Club
Rockford Area YIMBY
YIMBYana
YIMBY Wichita
YIMBY Oakland County
YIMBY Plymouth

Asheville for All
Yes! In My Triangle
NEOurbanism
Central Oregon YIMBY
Salem YIMBY
Pro-Housing Pittsburgh
Pro-Housing Philly
Providence Urbanist Network
Palmetto YIMBY
Housing Now Nashville
Dallas Neighbors for Housing
Logan YIMBY
YIMBY Hampton Roads
YIMBYs of NoVA
RVA YIMBY
15-Minute Fredericksburg
Seattle YIMBY
Madison is for People
Grow The Richmond
South Bay YIMBY
Northern Neighbors
Peninsula for Everyone
San Francisco YIMBY
SLOCo YIMBY
Mountain View YIMBY
East Bay YIMBY
Santa Cruz YIMBY
Ventura County YIMBY
Santa Rosa YIMBY
Napa-Solano for Everyone
Yolo YIMBY
YIMBY Monterey Peninsula
YIMBY Los Angeles
San Jose YIMBY
San Mateo Forward
Yes In Redwood City
Marin YIMBY