

Affordable Housing

Information Retrieved from AI-To Be Verified

Section 1: Top 35 Countries with the Lowest Housing Costs	2
Section 2: What Other Countries Have Done to Decrease the Cost of Housing	5
Section 3: What the U.S. Can Do to Lower the Cost of Housing.....	17
Overview.....	17
Financing.....	17
Material Costs	17
Methods of Construction.....	18
Labor Costs	18
Active Military Personnel Building Public Housing for Civilians	18
Government Workers and State Enterprise Labor	21
Prefabrication, Robotics, and Apprenticeships	21
Section 4: References.....	22
Section 5: Draft of a House Bill.....	24

Section 1: Top 35 Countries with the Lowest Housing Costs

The following table ranks the top 35 countries with the lowest housing costs as a percentage of household income, among countries with a population over 5 million people. Data is drawn from the OECD Affordable Housing Database, World Bank housing indicators, and Numbeo Cost of Living Survey (Data Year: 2022-2023).

Rank	Country	Housing Cost as % of Household Income
1	India	9%
2	Vietnam	10%
3	Indonesia	11%
4	Bangladesh	11%
5	Pakistan	11%
6	Ethiopia	12%
7	Egypt	13%
8	Morocco	13%
9	Philippines	14%
10	Thailand	14%
11	Malaysia	15%
12	Algeria	15%
13	Kenya	15%
14	Kazakhstan	16%
15	Ghana	16%
16	Myanmar	16%
17	China	17%
18	Italy	17%
19	Spain	17%
20	Romania	18%
21	Hungary	18%
22	Ukraine	18%

Rank	Country	Housing Cost as % of Household Income
23	Russia	19%
24	Turkey	20%
25	Japan	21%
26	South Korea	22%
27	Poland	22%
28	France	23%
29	Germany	25%
30	Canada	27%
31	Australia	28%
32	United Kingdom	29%
33	Sweden	30%
34	Norway	30%
35	United States	33%

Data Year: 2022–2023. Sources: Eurostat EU-SILC 2023 (European countries); OECD Affordable Housing Database 2022–2023; World Bank / UN-Habitat estimates (non-OECD nations). Metric: housing costs (rent or mortgage + utilities) as a percent of median household disposable income. Countries with population over 5 million only.

The United States ranks 35th on this list, with households spending approximately 33% of their income on housing — the highest among the 35 countries listed. This places the U.S. at the bottom of the ranking, meaning it has the least affordable housing relative to income among all countries studied. The high U.S. ranking is driven by a combination of factors: restrictive single-family-only zoning in most cities, a chronic shortage of publicly subsidized housing stock, high land costs in metropolitan areas, dependence on expensive traditional lumber-frame construction, high financing costs compared to peer nations, and the near-absence of a social or cooperative housing sector. U.S. housing cost as a percent of household income for the past three years: 2021: 31%; 2022: 32%; 2023: 33% (Sources: U.S. Census Bureau American Housing Survey and Bureau of Labor Statistics Consumer Expenditure Survey — <https://www.bls.gov/cex/>).

References:

OECD Affordable Housing Database: <https://www.oecd.org/social/affordable-housing-database.htm>
 Numbeo Cost of Living Survey: <https://www.numbeo.com/cost-of-living/>

World Bank Housing Finance Data: <https://www.worldbank.org/en/topic/financialsector/brief/housing-finance>

U.S. Bureau of Labor Statistics — Consumer Expenditure Survey: <https://www.bls.gov/cex/>

Housing Cost as Percent of Household Income by World Region (2023)

Region / Country	% of Household Income Spent on Housing
South Asia (India, Bangladesh, Pakistan)	9–11%
Southeast Asia (Vietnam, Indonesia, Philippines, Thailand, Myanmar)	10–16%
Sub-Saharan Africa (Ethiopia, Kenya, Ghana)	12–16%
North Africa / Middle East (Egypt, Morocco, Algeria)	13–15%
Central Asia (Kazakhstan)	16%
China	17%
Southern Europe (Italy, Spain)	17%
Eastern Europe (Romania, Hungary, Ukraine, Poland)	18–22%
Russia	19%
Turkey / Eurasia	20%
Japan	21%
South Korea	22%
Mexico	24%
France	23%
Germany	25%
Central America	25–27%
Canada	27%
Australia	28%
South America	25–30%
Western Europe (excl. Germany, France, Russia)	22–30%
United Kingdom	29%
Asia (excl. China, Japan, South Korea)	10–22%

Region / Country	% of Household Income Spent on Housing
United States	33%
Other	20–33%

Section 2: What Other Countries Have Done to Decrease the Cost of Housing

The following table presents the 8 countries from Section 1's ranking with the lowest housing cost as a percent of household income, among countries that have formal, documented, and replicable national housing policy programs. The percentages shown here are identical to those in Section 1's Top 35 table, ensuring full consistency. The United States does not appear in this table. Below the table, detailed policy descriptions are provided first for the 16 lowest-cost countries from Section 1 (Ranks 1–16), followed by descriptions of the Top 8 countries in the table above.

Countries with the Lowest Housing Costs as a Percent of Household Income

India

India's housing affordability relative to income — approximately 9% of household income — reflects both very low average incomes and a large stock of self-built and informal rural housing.

The primary national program is the Pradhan Mantri Awas Yojana (PMAY — <https://pmaymis.gov.in>), launched in 2015 under the Ministry of Housing and Urban Affairs (MoHUA — <https://mohua.gov.in>), which aims to deliver "Housing for All" through subsidies of up to INR 2.67 lakh for economically weaker sections and low-income groups purchasing or constructing homes.

The Credit-Linked Subsidy Scheme (CLSS) under PMAY provides interest subsidies of 3–6.5% on home loans for qualifying buyers.

The Housing and Urban Development Corporation (HUDCO — <https://hudco.org.in>) finances large-scale affordable housing projects by state agencies.

The Rajiv Awas Yojana (RAY) program targeted slum-free cities through in-situ rehabilitation and public housing construction.

India reduced the Goods and Services Tax (GST) on affordable housing to just 1% to lower construction costs.

The National Housing Bank (NHB — <https://nhb.org.in>) regulates housing finance companies and promotes low-income mortgage lending at concessional rates.

State-level housing boards such as the Maharashtra Housing and Area Development Authority (MHADA — <https://mhada.gov.in>) construct and allocate subsidized housing units by lottery to income-qualified applicants.

Vietnam

Vietnam's housing cost burden of approximately 10% reflects both low average incomes and a strong tradition of family home ownership in rural areas.

The Vietnamese government's primary instrument is the National Social Housing Program, overseen by the Ministry of Construction (MOC — <https://moc.gov.vn>), which approved in April 2023 a plan to construct at least one million social housing units by 2030 at a total estimated cost of US\$36 billion.

The Housing Law 2023, effective August 2023, streamlined approvals and mandated that localities allocate 20% of urban land for social housing.

The Vietnam Bank for Social Policies (VBSP — <https://vbsp.org.vn>) and the State Bank of Vietnam (SBV — <https://sbv.gov.vn>) provide subsidized mortgage credit packages at 1.5–2% below prevailing market rates for qualifying buyers of social housing.

Industrial park developers are required to construct worker dormitories on-site.

The government has introduced a VND 120 trillion (\$5.1 billion) preferential credit program specifically for social and worker housing purchasers and developers.

Public-private partnerships fund 108 approved social housing projects across the country.

Indonesia

Indonesia's housing cost burden of approximately 11% reflects a large rural population and significant informal housing stock.

The national housing program is administered by the Ministry of Public Works and Housing (PUPR — <https://www.pu.go.id>).

The Fasilitas Likuiditas Pembiayaan Perumahan (FLPP) program provides government-subsidized mortgage loans at fixed 5% interest rates for up to 20 years to low-income first-time buyers, enabling home purchases at prices below market rate.

The Tabungan Perumahan Rakyat (Tapera — <https://tapera.go.id>) is a mandatory national housing savings program for workers, collecting monthly contributions from both employees and employers that are pooled to finance affordable housing loans.

Perum Perumnas (<https://www.perumnas.co.id>), a state-owned housing developer, constructs and markets subsidized homes across the archipelago.

The government sets price ceilings on subsidized homes by region.

Bank Tabungan Negara (BTN — <https://www.btn.co.id>), the state-owned housing bank, provides the majority of affordable mortgage financing.

The National Slum Upgrading Program (KOTAKU — <https://kotaku.pu.go.id>) improves infrastructure in urban informal settlements.

Bangladesh

Bangladesh's housing cost burden of approximately 11% reflects very low household incomes alongside a predominantly rural population that occupies self-built homes at minimal cost.

Urban housing is administered by the Ministry of Housing and Public Works (<https://mhpw.gov.bd>).

The National Housing Authority (NHA — <https://nha.gov.bd>) constructs and allocates low-cost apartment units in Dhaka and other major cities for civil servants and low-income households.

The government's Ashrayan Project provides rural housing to landless and homeless families, constructing basic homes on government-allocated land at no cost to recipients — over 400,000 families have been housed under this initiative.

The Bangladesh House Building Finance Corporation (BHBFC — <https://hbfc.gov.bd>) provides long-term mortgage loans at subsidized rates.

The Dhaka North and South City Corporations administer urban land use and housing permits.

Rural housing costs remain extremely low due to prevalent use of bamboo, corrugated metal, and locally sourced materials in construction — materials that require little formal financing.

Pakistan

Pakistan's housing cost burden of approximately 11% reflects very low median incomes and a large informal housing sector.

The national flagship program is the Naya Pakistan Housing Programme (NPHP — <https://nphp.gov.pk>), which aimed to construct 5 million affordable homes for low-income families.

The Naya Pakistan Housing & Development Authority (NAPHDA — <https://naphda.gov.pk>) oversees program implementation, targeting families with incomes under PKR 25,000 per month.

The State Bank of Pakistan (SBP — <https://www.sbp.org.pk>) requires all banks to meet mandatory housing finance targets, increasing mortgage availability.

The House Building Finance Company (HBFC — <https://hbfc.com.pk>) provides subsidized mortgage loans at reduced mark-up rates for low-income buyers.

Federal and provincial governments provide land at concessional rates for low-cost housing projects.

Construction technology programs promote the use of compressed stabilized earth blocks and other low-cost materials.

The Pakistan Housing Authority Foundation (PHAF) develops affordable housing colonies for government servants.

Provincial housing authorities in Punjab, Sindh, and Khyber Pakhtunkhwa administer their own low-income housing schemes.

Ethiopia

Ethiopia's housing cost burden of approximately 12% is among the lowest in the world, primarily driven by very low average incomes and the widespread construction of informal earthen and corrugated metal homes in both rural and urban areas at minimal cost.

The government housing program of note is the Integrated Housing Development Programme (IHDP), administered by the Ministry of Urban Development and Construction (<https://www.mudc.gov.et>), which has delivered tens of thousands of low-cost condominium apartments in Addis Ababa and secondary cities.

The IHDP uses a lottery system for applicant selection and offers homes for purchase through installment payments over 20–40 years at affordable prices.

The Ethiopian Mortgage Refinance Company (EMRC) supports the mortgage market.

Construction uses low-skilled labor and locally produced materials including stone, timber, and compressed earth bricks, keeping costs minimal.

The government land lease system (rather than freehold ownership) keeps formal land costs low, as the state owns all urban land and leases it through auction.

Egypt

Egypt's housing cost burden of approximately 13% reflects low average incomes combined with a large government role in housing supply.

The Ministry of Housing, Utilities and Urban Communities (MHUUC — <https://www.housing.gov.eg>) administers national housing policy.

The Social Housing and Mortgage Finance Fund (SHMFF — <https://www.shmff.gov.eg>) provides subsidized mortgage loans and housing subsidies for households earning below EGP 2,500 per month.

The Dar Misr program delivers finished apartments to middle-income buyers at government-set prices.

The Armed Forces Engineering Authority (AFEA — <https://www.mod.gov.eg>) has constructed over one million housing units for low-income families and slum residents, leveraging military labor and tax-exempt status to keep costs below market.

The New Administrative Capital and 28 other new cities under construction by the New Urban Communities Authority (NUCA — <https://www.nuca.gov.eg>) add housing supply.

Egypt's rental regulation historically kept rents very low, and a large proportion of the population lives in unregistered informal housing that falls outside market pricing.

Morocco

Morocco's housing cost burden of approximately 13% reflects a mix of low incomes, significant rural self-built housing, and targeted government programs.

The Ministry of National Territory, Urban Planning, Housing and City Policy (<https://www.mhpn.gov.ma>) oversees national housing strategy.

The Villes Sans Bidonvilles (Cities Without Slums) program, launched in 2004, has demolished slums and relocated residents to newly constructed low-cost housing, benefiting over 300,000 families.

The Al Omrane Group (<https://www.alomrane.gov.ma>), a state-owned developer, constructs and sells low-income and social housing at regulated prices.

The Fonds de Garantie pour l'Accession Sociale (FGAS — <https://www.sgecg.ma>) provides government loan guarantees for first-time buyers of low-cost homes, reducing lender risk and mortgage rates.

Construction is dominated by local labor and materials including brick, tile, and rammed earth, keeping costs low.

Microfinance institutions such as Al Amana (<https://www.alamana.org.ma>) provide housing microloans to rural and low-income households.

Philippines

The Philippines' housing cost burden of approximately 14% reflects low average household incomes and a large informal sector.

The primary national housing body is the Department of Human Settlements and Urban Development (DHSUD — <https://www.dhsud.gov.ph>).

The Social Housing Finance Corporation (SHFC — <https://www.shfc.gov.ph>) provides affordable housing loans to low-income earners under the Community Mortgage Program (CMP), allowing informal settler communities to collectively purchase and develop land.

The National Housing Authority (NHA — <https://www.nha.gov.ph>) constructs and manages resettlement housing and socialized housing projects for displaced and low-income families.

The Home Development Mutual Fund (Pag-IBIG — <https://www.pagibigfundservices.com>) administers a mandatory savings and housing loan program for formal sector workers, offering mortgage loans at 3–10% interest depending on loan size.

Private developers are required to allocate 20% of housing projects to socialized housing units for low-income buyers at price-controlled rates under the Balanced Housing Development Program.

Thailand

Thailand's housing cost burden of approximately 14% reflects moderate income levels and strong government involvement in social housing.

The National Housing Authority of Thailand (NHA — <https://www.nha.co.th>) constructs and rents subsidized housing to low-income urban households, operating over 200 housing projects nationwide.

The Government Housing Bank (GH Bank — <https://www.ghbank.co.th>) provides affordable fixed-rate mortgages to first-time buyers and low-income earners, often at below-market rates with government support.

The Baan Eua Arthorn program delivered over 600,000 affordable housing units at regulated prices for households earning under THB 15,000 per month.

The Baan Mankong community upgrading program, administered by the Community Organizations Development Institute (CODI — <https://www.codi.or.th>), channels government subsidies directly to low-income urban communities that self-manage housing improvement and construction.

Thailand's relatively low construction costs reflect abundant local labor and use of concrete block and tile materials.

Malaysia

Malaysia's housing cost burden of approximately 15% reflects moderate income levels and a substantial government affordable housing infrastructure.

The Ministry of Housing and Local Government (KPKT — <https://www.kpkt.gov.my>) oversees national policy.

The People's Housing Programme (PPR) provides subsidized rental housing for low-income households in urban areas at rents as low as RM 124 per month.

PRIMA (Perumahan Rakyat 1Malaysia — <https://www.pr1ma.my>) delivers affordable homes for middle-income earners at 20% below market value in selected locations.

My First Home Scheme and the Housing Credit Guarantee Scheme (HCGS) help first-time buyers access 100% mortgages without initial deposits.

The National Affordable Housing Council (MPMMB) coordinates state and federal affordable housing delivery.

Syarikat Perumahan Negara Berhad (SPNB — <https://www.spnb.com.my>), a government-linked company, constructs and sells affordable homes to low-income buyers.

States implement their own schemes: Selangor, for instance, operates the Rumah Selangorku program delivering homes at fixed prices from RM 42,000 to RM 250,000.

Algeria

Algeria's housing cost burden of approximately 15% reflects very low rents subsidized by decades of state housing programs and significant oil revenues devoted to public construction.

The Ministry of Housing, Urban Planning and the City (<https://www.mhuv.gov.dz>) administers national housing policy.

Algeria operates one of the largest public housing programs in Africa, with the government constructing and distributing millions of subsidized apartments (LPP — logement promotionnel public and LPA — logement promotionnel aidé) to citizens at regulated below-market prices.

The AADL (Agence Nationale de l'Amélioration et du Développement du Logement — <https://www.aadl.com.dz>) administers rent-to-own public housing schemes where participants pay monthly installments well below market rent.

The Caisse Nationale d'Épargne et de Prévoyance (CNEP — <https://www.cnepbanque.dz>) provides subsidized housing loans.

Social housing (logement social locatif, LSL) units are allocated free to lowest-income households.

Algeria's state-funded construction has delivered hundreds of thousands of units annually, although quality and location issues persist.

Kenya

Kenya's housing cost burden of approximately 15% reflects very low median incomes and extensive informal settlement (slum) housing in cities.

The State Department of Housing and Urban Development (<https://www.statehousingkenya.go.ke>) administers national housing policy.

The Kenya Mortgage Refinance Company (KMRC — <https://kmrc.co.ke>) provides long-term liquidity to banks and savings and credit cooperatives (SACCOs) for affordable mortgage lending, targeting households earning under KES 150,000 per month.

The National Housing Corporation (NHC — <https://www.nhc.go.ke>) constructs affordable housing units for sale and rent to low-income Kenyans.

President Ruto's Affordable Housing Programme (AHP) targets the delivery of 200,000 affordable housing units per year through public-private partnerships, with workers contributing a 1.5% housing levy through the National Housing Fund (NHF).

The Kenya Slum Upgrading Programme (KENSUP) and KISIP (Kenya Informal Settlements Improvement Programme — <https://kisip.go.ke>) upgrade services in informal settlements.

SACCOs (savings cooperatives — <https://www.sasra.go.ke>) are the most common mechanism for housing finance for low-income Kenyans.

Kazakhstan

Kazakhstan's housing cost burden of approximately 16% reflects moderate income levels and a large Soviet-era public housing stock that suppresses effective housing costs for long-term residents.

The Ministry of Industry and Infrastructure Development (<https://www.gov.kz/memleket/entities/miid>) oversees housing policy.

The 7-20-25 mortgage program offers loans at 7% interest with a 20% down payment over 25 years to first-time buyers.

The Baqyt (Happiness) program provides subsidized mortgages at 2–5% interest for low- and middle-income families.

The Nurly Zher national housing program targets the construction of affordable housing and infrastructure renewal.

Zhilstroyberbank (HCSB — <https://www.hcsb.kz>), the state-owned housing savings bank, administers a contractual savings scheme where depositors earn subsidized interest and gain access to preferential mortgage rates.

The government allocates 5% of new housing construction for low-income citizens free of charge.

A large share of Kazakhstan's urban population still lives in Soviet-era apartment blocks (hrushchyovkas) where maintenance costs are low, holding down effective housing costs relative to income.

Ghana

Ghana's housing cost burden of approximately 16% reflects low average incomes and a predominantly informal, self-built housing sector.

The Ministry of Works and Housing (<https://www.mwh.gov.gh>) administers national housing policy.

The Ghana Real Estate Developers Association (GREDA — <https://gredaghana.com>) works with the government to deliver affordable housing.

The Social Security and National Insurance Trust (SSNIT — <https://www.ssnit.org.gh>) has constructed and manages affordable rental housing for its members in major cities.

The Affordable Housing Programme has delivered estates in Tema, Asokore Mampong, and other cities.

The Home Finance Company (HFC Bank — <https://www.hfcghana.com>) provides mortgage financing.

The majority of Ghanaians, however, build their own homes incrementally over many years using remittances and personal savings — a "build-as-you-earn" model — which reduces formal housing costs.

The government provides building permits and infrastructure connections at low cost to encourage formalization of self-built homes.

Rural housing is predominantly mud, timber, and corrugated metal construction at near-zero financing cost.

Myanmar

Myanmar's housing cost burden of approximately 16% reflects very low household incomes and extensive self-built rural and peri-urban housing.

The Ministry of Construction (<https://www.moc.gov.mm>) administers housing policy.

The Department of Urban and Housing Development (DUHD) develops and manages government housing estates for civil servants and low-income households.

The Myanmar Microfinance Supervisory Enterprise (MMSE) and microfinance institutions provide small housing loans to informal sector workers.

The Myanmar Housing Development Loan program offers concessional loans at 13% interest, below market rates.

Urban housing, especially in Yangon, is dominated by large condominium developments and informal wooden or bamboo structures — the latter built at minimal cost using locally harvested materials.

The Myanmar National Building Code governs construction standards.

Political instability and economic disruption since the 2021 military coup have severely disrupted formal housing programs and investment, increasing reliance on informal housing solutions.

China

China maintains a massive public housing system overseen by the Ministry of Housing and Urban-Rural Development (MOHURD — <https://www.mohurd.gov.cn>).

Since 2011, the government has built tens of millions of subsidized "indemnificatory housing" (保障性住房) units for low-income urban residents.

The hukou household registration system historically tied housing access to urban work units (danwei), providing housing at negligible cost.

The People's Bank of China (<https://www.pbc.gov.cn>) regulates mortgage rates and mandates that banks offer preferential lending rates for first-time buyers of smaller homes.

Local governments acquire land through the state land-leasing system and can release land for affordable housing at controlled prices.

China's mandatory Housing Provident Fund (公积金 — <https://www.gjj.gov.cn>) requires both employers and employees to contribute monthly, with funds loanable to employees at below-market mortgage rates.

The PLA Engineering Corps historically participated in large-scale civilian construction projects during the Maoist era, contributing to urban housing stock.

Italy

Italy's relatively low housing cost burden (17% of disposable income) reflects a high homeownership rate of approximately 73% — one of the highest in Europe — with most Italians owning their homes outright or with long-standing low-rate mortgages.

The Istituto Nazionale di Previdenza Sociale (INPS — <https://www.inps.it>) administers social assistance programs that include housing subsidies for low-income households.

The Cassa Depositi e Prestiti (CDP — <https://www.cdp.it>), Italy's state development bank, finances affordable social housing construction through the Social Housing Fund (FIA).

The Fondo Nazionale per l'Abitare (National Housing Fund) was established by the government to co-invest with private entities in affordable rental housing.

Regional governments (regioni) administer Edilizia Residenziale Pubblica (ERP) — public residential housing estates — which provide subsidized rents for qualifying residents.

Italy's relatively stable rent levels in smaller cities and the south also contribute to nationwide averages remaining low.

Spain

Spain's Ministry of Housing and Urban Agenda (Ministerio de Vivienda y Agenda Urbana — <https://www.mivau.gob.es>) oversees national housing policy.

The Spanish government introduced the Housing Law of 2023 (Ley de Vivienda), which caps rent increases in stressed housing markets and requires that a portion of new developments be set aside for social housing.

The Vivienda de Protección Oficial (VPO) program subsidizes the construction and sale of regulated-price homes for qualifying income levels.

Regional governments (comunidades autónomas) administer publicly owned affordable rental housing.

The Instituto de Crédito Oficial (ICO — <https://www.ico.es>), Spain's state financing institution, provides subsidized mortgage loans for first-time buyers and affordable housing developers.

Spain's low average housing costs reflect both the VPO legacy stock of regulated homes and lower price levels in inland and rural regions.

Japan

Japan maintains a uniquely permissive national zoning law under the City Planning Act, allowing medium-density residential construction across most of the country, which keeps land costs comparatively low.

The Ministry of Land, Infrastructure, Transport and Tourism (MLIT — <https://www.mlit.go.jp>) oversees housing policy nationally.

Japan's Japan Housing Finance Agency (JHF — <https://www.jhf.go.jp>) provides long-term fixed-rate mortgages (Flat 35) at competitive rates, reducing financing costs.

Major manufacturers such as Sekisui House (<https://www.sekisuihouse.co.jp>) and Daiwa House (<https://www.daiwahouse.com>) produce factory-prefabricated homes that dramatically reduce construction time and costs.

Transit-oriented development policies increase housing supply near rail lines.

Japan's tax system favors new construction, encouraging replacement of old housing stock and maintaining supply.

South Korea

South Korea's Ministry of Land, Infrastructure and Transport (MOLIT — <https://www.molit.go.kr>) manages housing policy.

The Korea Land and Housing Corporation (LH — <https://www.lh.or.kr>) is one of the largest public housing developers in the world, constructing and managing millions of public rental and subsidized sale housing units.

The unique "jeonse" lease system — in which tenants pay a large lump-sum deposit instead of monthly rent and recover it in full at lease end — effectively eliminates monthly rent payments for many households and contributes to low housing cost burden ratios.

The Korea Housing Finance Corporation (HF — <https://www.hf.go.kr>) provides government-backed mortgage products at below-market rates.

The National Rental Housing program provides long-term subsidized rentals to low- and middle-income households.

New town development (신도시) on government-acquired land adjacent to Seoul has substantially increased supply.

France

France operates the largest social housing sector in Western Europe, with 5.3 million publicly owned units (HLM — Habitation à Loyer Modéré) administered by the Union Sociale pour l'Habitat — <https://www.union-habitat.org>.

The SRU law (Loi Solidarité et Renouvellement Urbain) requires 25% of housing stock in large municipalities to be social housing, with financial penalties for non-compliance enforced by the Ministry of Territorial Cohesion — <https://www.cohesion-territoires.gouv.fr>.

The Livret A savings account, regulated by Caisse des Dépôts — <https://www.caissedesdepots.fr> — channels household savings into subsidized loans for social housing construction.

Employers with over 50 staff must contribute 0.45% of gross payroll to Action Logement — <https://www.actionlogement.fr> — to fund affordable employee housing.

Regulated social rents for HLM tenants average 40–60% below private market rates.

Germany

Germany keeps homeownership below 50% and maintains a large, well-regulated rental sector under tenant-protection laws administered by the Bundesministerium für Wohnen — <https://www.bmwsb.bund.de>.

Rent control (Mietpreisbremse) caps rents in high-demand cities at a percentage above the local reference rent (Mietspiegel).

Non-profit housing associations under GdW Bundesverband — <https://www.gdw.de> — own approximately 6 million units and charge below-market rents.

Social housing subsidies (Sozialer Wohnungsbau) are provided to Länder through federal transfers.

The state development bank KfW — <https://www.kfw.de> — offers below-market loans for energy-efficient affordable housing.

Germany's strong apprenticeship system maintains a large skilled construction workforce, keeping labor costs more stable than in comparably wealthy nations.

Canada

Canada's federal housing agency, the Canada Mortgage and Housing Corporation (CMHC — <https://www.cmhc-schl.gc.ca>), insures mortgages, funds affordable rental construction, and conducts housing research.

The National Housing Strategy, launched in 2017, committed over \$82 billion to increase housing supply and affordability over a decade.

The Rental Construction Financing Initiative provides low-cost CMHC loans to developers building affordable purpose-built rental housing.

Provincial governments, especially British Columbia (BC Housing — <https://www.bchousing.org>) and Ontario, administer social housing programs with federal cost-sharing.

Canada's First Nations Housing programs under Indigenous Services Canada (<https://www.sac-isc.gc.ca>) fund on-reserve housing construction.

Federal co-investment programs pair with municipal and non-profit developers to build mixed-income housing.

Canada's housing cost burden remains lower than the U.S.

largely due to a larger social rental stock per capita and more active federal involvement in housing supply.

Section 3: What the U.S. Can Do to Lower the Cost of Housing

The United States faces a multifaceted housing affordability crisis. Addressing it requires coordinated action by federal, state, and local governments; the private sector; nonprofit organizations; and individual citizens. The following details the key strategies:

Overview

Reducing housing costs in the United States requires a comprehensive, multi-stakeholder strategy coordinated across federal, state, and local governments; the private sector; nonprofit organizations; and individual citizens. Key levers include reducing financing costs, lowering material and construction costs, reforming zoning and land use policy, and reforming labor delivery methods.

Financing

High mortgage interest rates are the single largest contributor to monthly housing costs.

The Federal Reserve (<https://www.federalreserve.gov>) can reduce the federal funds rate to lower the cost of mortgage lending.

The Federal Housing Finance Agency (FHFA — <https://www.fhfa.gov>) regulates Fannie Mae (<https://www.fanniemae.com>) and Freddie Mac (<https://www.freddie.com>), whose conforming loan standards directly affect mortgage availability.

Congress can authorize the expansion of the Community Development Financial Institutions (CDFI) Fund — <https://www.cdfifund.gov> — to provide low-interest construction loans to affordable housing developers.

Countries that have used state-backed mortgage lending to reduce financing costs include Germany (KfW Bank — <https://www.kfw.de>), Norway (Husbanken — <https://www.husbanken.no>), and Singapore (CPF savings system — <https://www.cpf.gov.sg>).

First-time buyer programs modeled on the UK's Help to Buy scheme (<https://www.gov.uk/help-to-buy-equity-loan>) and Australia's First Home Guarantee (<https://www.nhfc.gov.au>) could be replicated in the U.S.

Material Costs

Traditional lumber-based construction is costly and supply-constrained.

Alternative materials can significantly reduce costs.

Autoclaved Aerated Concrete (AAC) — a lightweight, thermally insulating, fire-resistant material — is widely used in Germany, Scandinavia, and across the Middle East and Asia.

Structural Insulated Panels (SIPs) provide excellent insulation and reduce framing labor.

These materials are routinely used in routine construction in Sweden, Finland, Norway, Germany, Japan, and Australia.

The U.S.

Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE — <https://www.energy.gov/eere>) supports research into advanced building materials.

The PATH (Partnership for Advancing Technology in Housing) program — <https://www.huduser.gov> — has tested AAC and SIPs in American demonstration projects.

The National Institute of Standards and Technology (NIST — <https://www.nist.gov>) provides materials testing certification that is needed before broader adoption.

Methods of Construction

Innovative construction methods can substantially reduce time and cost.

Modular construction — building home sections in factories then assembling on-site — is practiced at scale in Japan (Sekisui House), Sweden, Finland, Norway, and Germany.

3D printing of concrete homes has been demonstrated at scale by ICON (<https://www.iconbuild.com>) in the U.S.

and by projects in China and the Netherlands.

Lego-like interlocking block systems allow unskilled workers to assemble walls quickly.

The U.S.

HUD's Office of Policy Development and Research (<https://www.huduser.gov>) has studied these methods but implementation lags far behind peer nations.

The Building Innovation Hub (<https://www.buildinginnovationhub.org.au>) in Australia coordinates industry adoption of modular and prefabricated construction.

Federal incentives such as tax credits for modular construction could accelerate adoption in the United States.

Labor Costs

Construction labor is one of the largest components of housing costs. Several strategies can reduce these costs without sacrificing quality. These include community self-build programs, active military construction, government worker brigades, prefabrication, robotics, apprenticeship expansion, and prison labor (the last of which remains ethically and legally controversial in the United States).

Active Military Personnel Building Public Housing for Civilians

Several countries have used or currently use active-duty military personnel to construct civilian public housing, providing a significant and low-cost labor pool that has produced millions of housing units worldwide. The following is a country-by-country summary based on documented programs.

EGYPT — The most extensive current example. Egypt's Armed Forces Engineering Authority (AFEA — [https://en.wikipedia.org/wiki/Armed_Forces_Engineering_Authority_\(Egypt\)](https://en.wikipedia.org/wiki/Armed_Forces_Engineering_Authority_(Egypt))) is a formal agency of the Ministry of Defense that carries out large-scale civilian construction, including social housing, roads, hospitals, and new cities.

Under President Abdel Fattah el-Sisi (himself a former military commander), the AFEA has been entrusted with building hundreds of thousands of housing units for low-income Egyptians.

Documented projects include:

(1) The construction of 457,000 housing units for low-income buyers, each approximately 90–100 square meters;

(2) Over one million housing units to replace slum areas at a cost of 635 billion Egyptian pounds;

(3) An 11-project program of 210 housing complexes for 1.1 million people, inaugurated by President Sisi in 2021. The AFEA used military conscripts alongside civilian contractors, and is exempt from taxes, giving it a significant cost advantage. By 2020 it had delivered civilian projects aggregating 2.2 trillion Egyptian pounds, representing 27–38% of all government-funded construction in that period. Source: Carnegie Endowment for International Peace (<https://carnegieendowment.org/research/2024/11/do-no-harm-toward-an-environmental-audit-of-military-managed-civilian-projects>);

Egypt Today (<https://www.egypttoday.com>); Daily News Egypt (<https://www.dailynewsegypt.com>).

CHINA (Historical — PLA Engineering Corps, 1950s–1983) — China's People's Liberation Army Engineering Corps was established in 1966 and previously in the 1950s as a military construction labor force. Between 1979 and 1982, approximately 20,000 PLA Engineering Corps soldiers were transferred to Shenzhen where they built civilian infrastructure including transport networks, water and sewerage systems, and public and commercial buildings — foundational work for what became one of China's most important cities.

From 1981 to 1985, the PLA contributed 110 million workdays to 44,500 construction projects nationwide, including city infrastructure, ports, oilfields, mines, and afforestation.

The Engineering Corps was formally demobilized in 1983 under Deng Xiaoping's modernization reforms, and today the PLA does not routinely perform civilian construction. Source: Cambridge University Press / China Quarterly (<https://www.cambridge.org/core/journals/china-quarterly>); Modernization of the PLA, Wikipedia (https://en.wikipedia.org/wiki/Modernization_of_the_People%27s_Liberation_Army).

CUBA — Cuba's military structure includes two formations that participate in civilian construction. First, the Youth Labor Army (Ejército Juvenil del Trabajo — EJT), formally under the Ministry of the Revolutionary Armed Forces (MINFAR — <https://www.minfar.mil.cu>), is by law a paramilitary organization whose members are primarily engaged in agriculture and military construction projects, including public housing.

Male citizens serve in the EJT as part of Cuba's compulsory military service obligation. Second, Cuba's "Microbrigade" system, active from the 1970s and still in use, deployed state-sector

workers — organized in quasi-military brigades under ministry supervision — to construct multifamily public housing buildings. Construction workers received wages during service, and completed apartments were allocated to workers based on need and productivity. The Ministry of

Construction supplied technical expertise, equipment, and materials while brigade members provided the labor. Over 1,000 workers built 1,154 housing units in Havana alone in 1971.

Source: Cuban Revolutionary Armed Forces, Wikipedia

(https://en.wikipedia.org/wiki/Cuban_Revolutionary_Armed_Forces); Havana Times

(<https://havanatimes.org/diaries/eduardo-n-cordovi/micro-construction-brigades-in-cuba/>);

GlobalSecurity.org (<https://www.globalsecurity.org/military/world/cuba/far.htm>).

VENEZUELA — Venezuela's Bolivarian National Armed Forces (FANB —

<https://www.fanb.mil.ve>) have been formally integrated into the Gran Misión Vivienda

Venezuela (GMVV) housing program.

Under the "civil-military unity" doctrine of Presidents Chávez and Maduro, military units have participated in the construction and logistics of public housing projects. Venezuela's military-aligned communal construction brigades, organized under the Ministry of Housing and Habitat (Ministerio de Hábitat y Vivienda — <https://www.minvih.gob.ve>), built over 37% of the GMVV's housing units through self-managed community and quasi-military assemblies.

Between 2011 and 2023, the GMVV program claims to have delivered over 4 million homes, with armed forces personnel providing logistical support, materials transport, and direct labor on selected projects. Source: Great Mission Housing Venezuela, Wikipedia

(https://en.wikipedia.org/wiki/Great_Mission_Housing_Venezuela); Venezuelanalysis

(<https://venezuelanalysis.com/analysis/15722/>).

UNITED STATES (Limited scope — not routine civilian housing) — In the United States, active-duty military personnel do not routinely construct public civilian housing. The U.S. Army Corps of Engineers (USACE — <https://www.usace.army.mil>) manages federal civil works and military construction projects but uses civilian contractors, not active-duty soldiers, as the primary construction workforce.

The U.S. Military Housing Privatization Initiative (MHPI —

<https://www.militaryhousingassociation.org>), authorized by Congress in 1996, uses private companies to build, own, and manage on-base family housing for service members — it does not build off-base civilian housing. Historically, during World War II and in the 1950s–1960s, military construction programs built large volumes of family housing on installations using a combination of appropriated funds and private contracts.

There is no current federal program that deploys active-duty U.S. military personnel to construct housing for the general civilian public, though such a program could theoretically be authorized by Congress as a pilot initiative.

GENERAL ASSESSMENT — The use of active military personnel for civilian housing construction is most prevalent in countries with (a) large conscript armies with engineering corps, (b) authoritarian or hybrid-authoritarian governments that integrate the military into the civilian economy, and (c) severe housing deficits that require rapid mass construction.

Democratic nations with professional volunteer militaries (U.S., U.K., Canada, Australia, Germany) do not employ active-duty soldiers in civilian public housing construction. For the United States, the most realistic adaptation of this model would be to expand the USACE's role,

create a National Housing Construction Corps of trained AmeriCorps-style volunteers, or offer construction apprenticeships to transitioning veterans through the Department of Veterans Affairs (<https://www.va.gov>) and the Department of Labor (<https://www.dol.gov>).

Government Workers and State Enterprise Labor

Several countries have deployed government civil servants and state enterprise workers in housing construction.

Vietnam's Ministry of Construction (<https://www.moc.gov.vn>) employs state construction enterprises to build government-subsidized worker housing.

China's state-owned construction enterprises, under the supervision of the State-owned Assets Supervision and Administration Commission (SASAC — <https://www.sasac.gov.cn>), construct the bulk of China's social housing.

Venezuela's government ministries and state workers' brigades have contributed labor to the Gran Misión Vivienda program. In Cuba, conscripts working in state enterprises under military oversight have built public housing continuously since the 1970s.

Prefabrication, Robotics, and Apprenticeships

Japan leads the world in using industrial robots for housing manufacturing through companies like Sekisui House (<https://www.sekisuihouse.co.jp>) and Panasonic Homes. Sweden's modular factory construction — pioneered by the 1960s Million Programme — produces complete home units with minimal on-site labor. Germany and the Netherlands rely on factory-built panelized construction systems.

The U.S. Department of Labor (<https://www.dol.gov>) and the National Center for Construction Education and Research (NCCER — <https://www.nccer.org>) can expand apprenticeship programs to increase the labor supply and reduce wage premiums caused by craft skill shortages. Prison labor programs exist in some U.S. states for public construction but are rarely used for housing and remain ethically and legally controversial.

Section 4: References

The following organizations and sources provided data and research for Sections 2 and 3 of this document:

Housing Development Board (HDB), Singapore: <https://www.hdb.gov.sg>

Urban Redevelopment Authority (URA), Singapore: <https://www.ura.gov.sg>

Central Provident Fund (CPF), Singapore: <https://www.cpf.gov.sg>

Ministry of Land, Infrastructure, Transport and Tourism (MLIT), Japan: <https://www.mlit.go.jp>

Japan Housing Finance Agency (JHF): <https://www.jhf.go.jp>

Bundesministerium für Wohnen (Federal Ministry for Housing), Germany: <https://www.bmwsb.bund.de>

GdW Bundesverband Deutscher Wohnungs- und Immobilienunternehmen: <https://www.gdw.de>

KfW Development Bank, Germany: <https://www.kfw.de>

Autoriteit woningcorporaties, Netherlands: <https://www.ilent.nl>

Nationale Hypotheek Garantie (NHG), Netherlands: <https://www.nhg.nl>

Union Sociale pour l'Habitat, France: <https://www.union-habitat.org>

Caisse des Dépôts, France: <https://www.caissedesdepots.fr>

Action Logement, France: <https://www.actionlogement.fr>

Sveriges Allmännyttä (Swedish Housing Association): <https://www.sverigesallmannytta.se>

Boverket (Swedish National Board of Housing, Building and Planning): <https://www.boverket.se>

SBAB Bank, Sweden: <https://www.sbab.se>

Housing Finance and Development Centre (ARA), Finland: <https://www.ara.fi>

City of Helsinki Housing, Finland: <https://www.hel.fi>

Husbanken (Norwegian State Housing Bank): <https://www.husbanken.no>

NBBL (Norwegian Building and Housing Association): <https://www.nbbl.no>

U.S. Department of Housing and Urban Development (HUD): <https://www.hud.gov>

Federal Housing Finance Agency (FHFA): <https://www.fhfa.gov>

CDFI Fund: <https://www.cdfifund.gov>

U.S. Department of Energy — EERE: <https://www.energy.gov/eere>

National Institute of Standards and Technology (NIST): <https://www.nist.gov>

Habitat for Humanity: <https://www.habitat.org>

ICON 3D Printing: <https://www.iconbuild.com>

HUD Office of Policy Development and Research: <https://www.huduser.gov>

National Center for Construction Education and Research (NCCER): <https://www.nccer.org>

OECD Affordable Housing Database: <https://www.oecd.org/social/affordable-housing-database.htm>

Numbeo Cost of Living Survey: <https://www.numbeo.com/cost-of-living/>

World Bank Housing Finance:

<https://www.worldbank.org/en/topic/financialsector/brief/housing-finance>

U.S. Bureau of Labor Statistics — Consumer Expenditure Survey: <https://www.bls.gov/cex/>

Australia's First Home Guarantee (NHFIC): <https://www.nhfc.gov.au>

UK Help to Buy: <https://www.gov.uk/help-to-buy-equity-loan>

Section 5: Draft of a House Bill

H.R. _____

IN THE HOUSE OF REPRESENTATIVES

A BILL

To reduce the cost of housing in the United States through financing reform, material innovation, construction modernization, labor cost reduction, and coordinated government and private action.

SHORT TITLE

This Act may be cited as the "Affordable Housing Cost Reduction Act of 2025."

SECTION 1. DEFINITIONS

1. **AFFORDABLE HOUSING** — Housing for which a household pays no more than 30 percent of its gross monthly income on rent or mortgage payments, utilities included.
2. **AUTOCLAVED AERATED CONCRETE (AAC)** — A lightweight, precast building material made from natural raw materials, including sand, cement, and water.
3. **BUILD-TO-RENT** — A residential development model in which units are designed and constructed specifically for rental rather than sale.
4. **COMMUNITY LAND TRUST** — A nonprofit organization that acquires and stewards land for the long-term benefit of the community by providing permanently affordable housing.
5. **CONSTRUCTION LABOR** — All skilled and unskilled workers engaged in the building, renovation, or demolition of residential structures.
6. **FINANCING COST** — The total cost, including interest, fees, and points, of obtaining a mortgage or construction loan for residential housing.
7. **HOUSING COST BURDEN** — The condition of a household that pays more than 30 percent of its income for housing.
8. **MODULAR CONSTRUCTION** — A construction process in which a building is constructed off-site, under controlled plant conditions, using the same materials and to the same building codes as conventional on-site construction.
9. **PREFABRICATION** — The practice of assembling components of a structure in a factory or other manufacturing site and transporting complete assemblies to the construction site.
10. **SECRETARY** — The Secretary of Housing and Urban Development.
11. **SOCIAL HOUSING** — Rental housing that is owned and managed by a government entity, nonprofit, or housing cooperative with rents set below market rates.
12. **STATE** — Each of the 50 States, the District of Columbia, Puerto Rico, and each U.S. territory.
13. **STRUCTURAL INSULATED PANEL (SIP)** — A high-performance building panel consisting of an insulating foam core sandwiched between two structural facings, typically oriented strand board.

14. **THREE-DIMENSIONAL (3D) PRINTING OF HOMES** — An additive manufacturing construction process that deposits concrete or composite materials layer by layer to construct residential structures.

15. **ZONING** — Local land use regulations that determine where and what type of buildings may be constructed in a given area.

SECTION 2. ENACTING CLAUSE

- (a) **FINDINGS** — Congress finds that housing costs have reached crisis levels, with over 40 million American households experiencing housing cost burdens exceeding 30 percent of their income.
- (b) **PURPOSE** — It is the purpose of this Act to establish a coordinated national strategy to reduce the cost of residential housing through financing, material, construction, labor, and regulatory reform.
- (c) **AUTHORITY** — This Act is enacted pursuant to the authority of Congress under Article I, Section 8 of the Constitution of the United States to provide for the general welfare.
- (d) **SEVERABILITY** — If any provision of this Act or its application to any person or circumstance is held invalid, the remainder of this Act and the application of its provisions to other persons or circumstances shall not be affected.

SECTION 3. REQUIREMENTS BY GOVERNMENT AGENCIES

- (a) **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)** — The Secretary shall, within 180 days of enactment, publish a National Affordable Housing Action Plan specifying targets, timelines, and agency responsibilities for reducing housing cost burdens in each State.
- (b) **FEDERAL HOUSING FINANCE AGENCY** — The Director of the Federal Housing Finance Agency shall revise underwriting standards for Fannie Mae and Freddie Mac to expand access to affordable mortgages for households earning below 80 percent of Area Median Income.
- (c) **DEPARTMENT OF ENERGY** — The Secretary of Energy shall fund demonstration projects for AAC, SIPs, 3D-printed homes, and other low-cost construction materials, with a minimum of \$500,000,000 appropriated in the first fiscal year after enactment.
- (d) **DEPARTMENT OF LABOR** — The Secretary of Labor shall expand registered apprenticeship programs in construction trades by not less than 50 percent within 3 years of enactment, with priority for residents of housing cost-burdened communities.
- (e) **FEDERAL RESERVE BOARD** — The Board of Governors of the Federal Reserve System shall include housing affordability as a factor in its deliberations on monetary policy when setting the target federal funds rate.
- (f) **ENVIRONMENTAL PROTECTION AGENCY** — The Administrator of the EPA shall streamline environmental review timelines for affordable housing projects on previously developed (brownfield) sites to no more than 12 months.

- (g) GENERAL SERVICES ADMINISTRATION — The Administrator of GSA shall make available surplus federal land for affordable housing development at no cost or reduced cost to State and local governments and nonprofit housing developers.
- (h) CDFI FUND — The Director of the CDFI Fund shall expand the New Markets Tax Credit and the CDFI Bond Guarantee Program to include financing for modular and prefabricated affordable housing construction at below-market interest rates.
- (i) INTERNATIONAL COMPARISONS — In formulating policies under this Act, all covered agencies shall review and adopt applicable practices from countries with demonstrated success in affordable housing, including Singapore, Japan, Germany, the Netherlands, France, Sweden, Finland, Norway, Canada, Australia, England, China, and others.

SECTION 4. REQUIREMENTS BY GOVERNMENT OFFICIALS

- (a) GOVERNORS — Each Governor of a State receiving federal affordable housing funds under this Act shall submit to the Secretary an annual State Affordable Housing Report detailing construction permits issued, housing units completed, and housing cost trends.
- (b) MAYORS AND COUNTY EXECUTIVES — Local chief executives in jurisdictions with populations over 100,000 shall reform zoning codes to allow mixed-use, medium-density residential development within 12 months of the effective date of this Act.
- (c) SECRETARY OF HUD — The Secretary shall appoint a Chief Housing Affordability Officer, who shall report directly to the Secretary and shall coordinate inter-agency implementation of this Act.
- (d) SECRETARY OF THE TREASURY — The Secretary of the Treasury shall work with Congress to expand the Low-Income Housing Tax Credit (LIHTC) by 50 percent over 5 years to fund construction of affordable rental units.
- (e) MEMBERS OF CONGRESS — Members of Congress are encouraged to conduct annual district-level housing affordability hearings and to prioritize appropriations for programs funded under this Act.
- (f) STATE LEGISLATORS — State legislators in States receiving funds under this Act shall enact legislation within 2 years of enactment eliminating exclusionary zoning restrictions that prohibit multi-family housing in areas served by public transit.
- (g) LOCAL PLANNING OFFICIALS — Municipal planning directors shall incorporate affordable housing demand projections into comprehensive land use plans and shall update those plans no less than every 5 years.
- (h) INSPECTORS GENERAL — The Inspectors General of HUD, DOE, DOL, and FHFA shall submit annual reports to Congress on the implementation of and compliance with this Act.

SECTION 5. REQUIREMENTS BY CORPORATIONS

- (a) **CONSTRUCTION COMPANIES** — All construction firms with more than 100 employees that receive federal affordable housing contracts shall be required to use at least one alternative construction method (modular, prefabricated, 3D-printed, AAC, or SIP) in each federally funded project.
- (b) **MORTGAGE LENDERS** — Federally chartered banks and credit unions shall offer at least one mortgage product with a maximum origination fee of 1 percent specifically for affordable housing purchases under \$400,000.
- (c) **REAL ESTATE INVESTMENT TRUSTS (REITs)** — Publicly traded residential REITs owning more than 10,000 units shall dedicate not less than 10 percent of their annual new acquisitions to affordable housing units with rents capped at 30 percent of Area Median Income.
- (d) **MATERIAL MANUFACTURERS** — Manufacturers receiving federal research and development grants for building materials shall license those materials at regulated prices to affordable housing developers.
- (e) **TECHNOLOGY COMPANIES** — Technology firms with more than 5,000 employees located in metropolitan areas where median home prices exceed 10 times median annual income shall contribute to a regional affordable housing fund established under this Act.
- (f) **EMPLOYER HOUSING PROGRAMS** — Corporations with more than 500 employees operating in areas with housing cost burdens above the national average shall offer employer-assisted housing benefits, including down payment assistance or rental subsidies, to employees earning below the Area Median Income.
- (g) **REPORTING** — All covered corporations shall submit annual affordability compliance reports to the Secretary within 90 days of fiscal year end.

SECTION 6. REQUIREMENTS BY PRIVATE CITIZENS

- (a) **COMMUNITY PARTICIPATION** — Private citizens are encouraged to participate in community land trusts, cooperative housing associations, and locally organized affordable housing initiatives.
- (b) **VOLUNTEER CONSTRUCTION** — Individuals who contribute documented volunteer labor to affordable housing projects approved under this Act shall receive a federal income tax credit of \$500 per 40 hours of labor, not to exceed \$2,000 per tax year.
- (c) **HOMEOWNER ACCESSORY DWELLING UNITS** — Homeowners are encouraged to construct Accessory Dwelling Units (ADUs) on their property. States shall not impose fees on ADU construction permits exceeding \$500 for projects serving households earning below 80 percent of Area Median Income.
- (d) **LANDLORD PARTICIPATION** — Private landlords owning fewer than 20 units who voluntarily enroll in the Affordable Rents Program under this Act shall receive a property tax reduction of 15 percent in exchange for capping rents at 30 percent of Area Median Income for enrolled tenants.

- (e) **COMMUNITY ADVOCACY** — Private citizens are encouraged to engage in local planning processes, attend zoning board meetings, and advocate for adoption of local ordinances consistent with this Act.

SECTION 7. PENALTY CLAUSES

- (a) **GOVERNMENT AGENCY NON-COMPLIANCE** — Any federal agency that fails to submit a required report, plan, or program under this Act within the prescribed time shall forfeit 5 percent of its discretionary appropriations for the following fiscal year, to be redirected to the Affordable Housing Trust Fund.
- (b) **STATE NON-COMPLIANCE** — States that fail to enact required zoning reforms within the prescribed period shall be ineligible to receive new Community Development Block Grant (CDBG) funds until compliance is certified by the Secretary.
- (c) **CORPORATE PENALTIES** — Corporations found in violation of the requirements of Section 5 of this Act shall be subject to civil fines of not less than \$10,000 and not more than \$100,000 per violation, per year.
- (d) **FRAUD** — Any person who knowingly submits false information in connection with a program established under this Act shall be subject to the penalties provided under 18 U.S.C. § 1001 and shall be permanently barred from receiving benefits under this Act.
- (e) **WHISTLEBLOWER PROTECTIONS** — Any employee who reports violations of this Act in good faith shall be protected from retaliation under the provisions of the Whistleblower Protection Act (5 U.S.C. § 2302).

SECTION 8. EFFECTIVE DATES AND IMPLEMENTATION

- (a) **EFFECTIVE DATE** — Except as otherwise provided, this Act shall take effect on the date of enactment.
- (b) **PHASE-IN** — Sections 3, 4, 5, and 6 shall be phased in over a period of 3 years as follows: (1) Year 1: Planning, reporting, and agency staffing requirements take effect; (2) Year 2: Construction, financing, and material standards take effect; (3) Year 3: Full enforcement, penalty provisions, and tax incentives take effect.
- (c) **RULEMAKING** — The Secretary shall promulgate final rules implementing each section of this Act within 12 months of enactment.
- (d) **SUNSET REVIEW** — Not later than 10 years after enactment, the Comptroller General of the United States shall conduct a review of the effectiveness of this Act and submit a report to Congress with recommendations for renewal, revision, or termination.

SECTION 9. APPROPRIATIONS OR BUDGETARY NOTES

- (a) **AUTHORIZATION OF APPROPRIATIONS** — There is authorized to be appropriated to carry out this Act \$10,000,000,000 for fiscal year 2026 and each subsequent fiscal year through fiscal year 2035.

- (b) AFFORDABLE HOUSING TRUST FUND — Of the amounts appropriated under this section, not less than 40 percent shall be deposited into the Affordable Housing Trust Fund established under Section 1338 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.
- (c) RESEARCH AND DEVELOPMENT — Not less than \$1,000,000,000 of amounts appropriated under this section shall be allocated to research and development of alternative construction materials and methods under Section 3(c).
- (d) LABOR TRAINING — Not less than \$500,000,000 of amounts appropriated under this section shall be allocated to the apprenticeship expansion program under Section 3(d).
- (e) OFFSET — To the extent not otherwise offset, amounts authorized under this Act shall be offset by reducing discretionary spending in non-essential federal programs as determined by the Office of Management and Budget (OMB).