

Federal Housing Bill Headed to Trump Could Affect USVI Disaster Recovery, Homeownership and Housing Programs

The measure does not provide a new direct USVI allocation, but it would authorize CDBG-DR for three years, curb large institutional home purchases, expand repair and housing-supply pilots, and revise vouchers, public housing and mortgage tools nationwide.

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Ernice Gilbert **June 24, 2026**

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A sweeping federal housing bill headed to President Donald Trump's desk could affect the U.S. Virgin Islands through housing, homelessness, public housing, voucher and disaster recovery programs the territory already uses, though the measure does not provide a new direct allocation to the territory.

The 21st Century ROAD to Housing Act, H.R. 6644, cleared the U.S. House on Tuesday by a vote of 358-32, one day after the U.S. Senate approved it 85-5. The House considered the bill under suspension of the rules, requiring a two-thirds majority for passage. All Democrats present voted in favor, while the 32 House no votes came from Republicans. In the Senate, the five no votes came from Republican Sens. Ron Johnson of Wisconsin, Mike Lee of Utah, Rand Paul of Kentucky, Rick Scott of Florida and Tommy Tuberville of Alabama.

The measure now moves to President Trump, whose signature is expected. The White House had formally backed the bill in March, stating that the president's advisers would recommend signing it if it reached him in its then-current form. House Financial Services Committee Chairman French Hill, one of the negotiators behind the final package, said: "I look forward to President Trump signing it into law."

For the Virgin Islands, the bill arrives while the territory continues working through the long recovery from Hurricanes Irma and Maria. In May 2025, The Consortium [reported a \\$23.9 billion obligated recovery pipeline](#), with about \$3.8 billion expended, or approximately 16 percent. CDBG-DR accounts for roughly \$1.9 billion of that portfolio, while FEMA Public Assistance represents a much larger share of the overall recovery program.

The bill's local significance is structural rather than appropriative. It does not provide a new direct allocation to the USVI or replace recovery dollars already in motion. Instead, the measure authorizes the Community Development Block Grant–Disaster Recovery program for three years, establishes an Office of Disaster Management and Resiliency within HUD to administer the program, expands certain CDBG uses, changes voucher and public housing rules, creates repair and housing-supply pilots, and revises federal tools tied to housing finance and homeownership.

Those changes could matter in a territory where recovery remains extensive and unfinished. The territory faces a 2035 deadline to spend recovery funds, while officials have warned that the local construction workforce remains a major constraint, with estimates ranging from 5,000 to 7,000 additional workers needed to keep projects moving.

The CDBG-DR provisions could give future disaster recovery funding a more formal federal structure, reducing some of the uncertainty associated with disaster-specific notices and shifting requirements. However, the bill does not itself announce a new CDBG-DR allocation for the Virgin Islands. It also does not resolve local execution challenges, including labor shortages, procurement delays, housing constraints for workers, reimbursement timing, permitting, design issues or rising construction costs.

The bill also has a broader housing impact beyond disaster recovery. One of its most visible provisions would prohibit large institutional investors from purchasing certain single-family homes, a policy aimed at preventing major firms from competing against individual buyers in residential markets. On the mainland, that provision is intended to address concerns that corporate buyers are crowding families out of homeownership. In the Virgin Islands, any practical effect would depend on whether covered transactions occur in the local market, but the policy could still matter in a small territory where limited housing supply already affects potential homeowners.

For potential buyers, the measure authorizes a small-dollar mortgage pilot for loans of \$100,000 or less and requires reviews of federal rules affecting access to small-dollar mortgages. It also includes appraisal-related provisions, including steps to expand appraiser capacity and require federally backed lenders to maintain a process for borrowers who seek a second appraisal or reconsideration of value.

For current homeowners, the measure authorizes a whole-home repairs pilot program that could provide grants and forgivable loans to address repair needs and health hazards in aging housing stock. The bill also directs federal attention to heirs property, requiring a Government Accountability Office review that would establish a definition, increase awareness of available tools and recommend ways to assist owners. That would not resolve title or probate issues by itself, but it could shape future federal policy in places where inherited property complications affect repairs, financing, sales or participation in housing programs.

The measure also includes provisions intended to expand housing supply and make construction less difficult. It would allow communities to use up to 20 percent of Community Development Block Grant resources for affordable housing construction, require CDBG grantees to maintain a public, searchable database of undeveloped land owned by the jurisdiction, and authorize “pattern books” of pre-reviewed home designs intended to help builders move faster through local construction processes. Those tools could be relevant to any jurisdiction trying to identify public land, speed permitting, or increase the number of homes that can be built.

The bill also addresses manufactured and modular housing. It updates federal treatment of manufactured homes, directs attention to financing barriers for modular housing, and includes provisions intended to expand access to financing for factory-built housing. On the mainland, those changes are aimed at increasing lower-cost housing options. In the Virgin Islands, their effect would depend on local market conditions, building standards, insurance requirements, land availability, shipping costs and whether local agencies or private developers pursue those tools.

For renters and public housing participants, the legislation creates a savings pilot for up to 5,000 families assisted under Section 8 or Section 9, allowing rent increases tied to income growth to be placed into interest-bearing accounts on behalf of participants. It also allows certain recently inspected federally assisted units to satisfy voucher inspection requirements and requires public housing agencies to publicly disclose information on contracts.

For homelessness response, the bill allows states and localities receiving Emergency Solutions Grant funding to request a waiver from the statutory 60 percent cap on spending for emergency shelter beds and street outreach. That could give communities more flexibility in how they use federal homelessness funds, though any local impact would depend on program eligibility, local planning and federal implementation.

The territory’s existing CDBG-DR funds are intended to address unmet needs in housing, infrastructure and economic revitalization from the 2017 hurricanes, along with mitigation activities meant to reduce future disaster risk. The V.I. Housing Finance Authority remains the HUD funding recipient and managing entity for those funds, while the Office of Disaster Recovery became a subrecipient in 2023 to support program management and project oversight. A VIHFA presentation on the fifth substantial amendment to the territory’s CDBG-DR action plan states that HUD allocated \$1,075,489,884 in CDBG-DR funds to support Virgin Islands recovery from the 2017 storms.

The legislation therefore gives the territory no immediate new pot of money, but it could affect the federal rules, pilots and program tools available to support recovery, housing supply, home repairs, homeownership, rental assistance and homelessness response. How much of that reaches Virgin Islands residents would depend on future federal implementation, local eligibility, agency capacity and whether territorial officials pursue the tools the measure creates.