

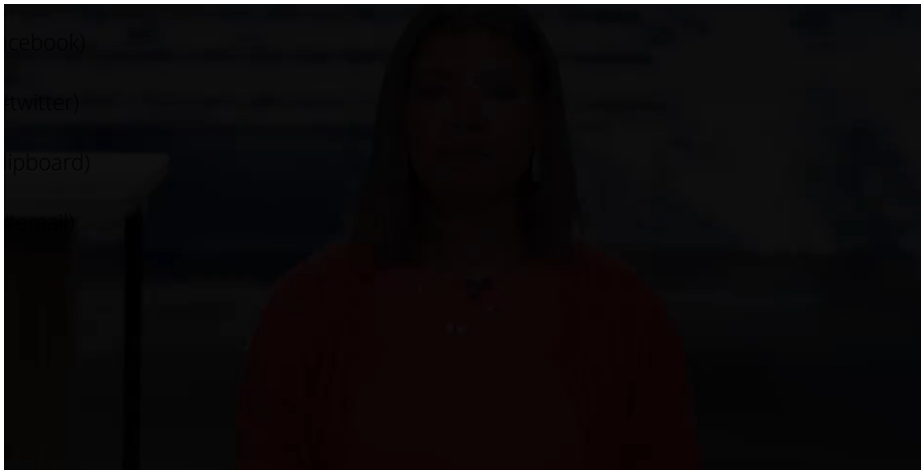
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Bipartisan Housing Bill Still Awaits Trump's Signature. Here's What the Bill Would Do

Shelby Hawkins (/stories-by-author/shelby hawkins) | July 6, 2026, 7:45 pm



A bipartisan housing bill could help increase the amount of residential development in the U.S., but experts warn that material changes to the housing market will not be immediate, and the legislation may not go far enough in addressing the affordability issue.

The 21st Century ROAD to Housing Act, which passed in the U.S. Senate in an 85-5 vote before clearing the U.S. House of Representatives 358-32, is the first major federal housing package in more than a decade. Its provisions include: a mandate for the U.S. Department of Housing and Urban Development to provide guidance on zoning and land-use policy reforms to local governments; grants and loans in support of new housing or the improvement of already-existing properties; and an increase in the limit for "Public Welfare Investment" for certain banks.

President Donald Trump has so far declined to sign the measure, calling it a "big yawn." He instead is urging Congress to focus on the unrelated SAVE America Act, his controversial voter ID bill.

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The housing bill will automatically become law on July 10 unless the president decides to veto it.

Much of today's housing crisis is defined by lack of supply, said Geoff Smith, executive director of the Institute for Housing Studies at DePaul University. He said the mismatch between supply and demand can be traced back to the Great Recession. While demand for housing rebounded, new construction never fully recovered. In more recent history, record-low mortgage rates during the COVID-19 pandemic encouraged homeowners to refinance or buy homes before rates climbed back up, leaving many homeowners reluctant to sell. It's a phenomenon economists call the "lock-in effect."

"When you add these crises on top of each other and the various government interventions, you're creating this ongoing crisis where the building and the development and the supply is really not matching the growing and the changing demand in Chicago and nationally," Smith said.

Even if the legislation becomes law this week, Smith said not to expect immediate local changes.

The local government would first need to adopt the new policies, he said, then developers would need to secure financing, purchase land, obtain permits and complete construction before new housing reaches the market.

"At the end of the day, it (the bill) has to work through the local machinery of zoning, of building, of construction, of labor, of the willingness of neighbors to see their communities change," said Horacio Méndez, president and CEO of the Woodstock Institute. "The incentives in this bill might be able to overcome that, but that is yet to be seen."

Méndez argued the country's approach to housing has increasingly treated homes as investment assets rather than a human right.

"For those that are blessed enough to be able to have a home, they have a singular focus of seeing the value of that home go up," Méndez said. "Therefore, the mismatch between supply and demand works in their favor."

Chicago built slightly more than 4,000 new homes last year, a fraction of what other U.S. cities are adding annually. Comparably, New York City built 38,000 units of new housing in 2025 and is on track to do similar numbers this year, according to David Doig, president of the real estate development group Chicago Neighborhood Initiatives.

The lack of new housing has helped drive prices beyond what many residents can afford. The median home price in Chicago is about \$375,000, requiring an annual household income of roughly \$95,000 to purchase, while the city's median household income is about \$77,000.

Building a new home in Chicago typically costs between \$400,000 and \$600,000.

"There needs to be more creativity around the housing types that we're approaching, so things like manufactured housing, modular housing," Doig said. "We don't have the big home builders here in Cook County and the city of Chicago — these are the people that are building America and they are literally not in our city."

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