

119TH CONGRESS  
1ST SESSION

# S. 2363

To amend title 49, United States Code, to include affordable housing incentives in certain capital investment grants, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

JULY 21, 2025

Mr. SCHATZ (for himself and Mr. BANKS) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

---

## A BILL

To amend title 49, United States Code, to include affordable housing incentives in certain capital investment grants, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Build More Housing  
5       Near Transit Act of 2025”.

6       **SEC. 2. AFFORDABLE HOUSING INCENTIVES IN CAPITAL IN-**  
7       **VESTMENT GRANTS.**

8       Section 5309 of title 49, United States Code, is  
9       amended—

1 (1) in subsection (a)—

2 (A) by redesignating paragraph (6) as  
3 paragraph (7); and

4 (B) by inserting after paragraph (5) the  
5 following:

6 “(6) PRO-HOUSING POLICY.—The term ‘pro-  
7 housing policy’—

8 “(A) means any State or local action that  
9 will remove regulatory barriers to the construc-  
10 tion or preservation of housing units, including  
11 affordable housing units; and

12 “(B) shall include any State or local action  
13 that—

14 “(i) reduces or eliminates parking  
15 minimums;

16 “(ii) establishes a by-right approval  
17 process for multi-family housing under  
18 which land use development approval is  
19 limited to determining that the develop-  
20 ment meets objective zoning and design  
21 standards that—

22 “(I) involve no subjective judg-  
23 ment by a public official;

24 “(II) are uniformly verifiable by  
25 reference to an external and uniform

1 benchmark or criterion available to  
2 both the land use developer and the  
3 public official prior to submission; and

4 “(III) include only such stand-  
5 ards as are published and adopted by  
6 ordinance or resolution by a jurisdic-  
7 tion before submission of a develop-  
8 ment application;

9 “(iii) reduces or eliminates minimum  
10 lot sizes;

11 “(iv) commits substantial publicly-held  
12 real property to the development or preser-  
13 vation of housing that includes a substan-  
14 tial number of dwelling units affordable to  
15 low-income households; or

16 “(v) eliminates or raises residential  
17 property height limits or increases the  
18 number of dwelling units permitted to be  
19 constructed under a by-right approval  
20 process; and

21 “(vi) carries out other policies as de-  
22 termined by the Secretary, in consultation  
23 with the Secretary of Housing and Urban  
24 Development.”;

1 (2) in subsection (g)(2), by adding at the end  
2 the following:

3 “(D) ELIGIBILITY FOR ADJUSTMENT OF  
4 RATING FOR PROJECT JUSTIFICATION CRITERIA  
5 FOR PRO-HOUSING POLICIES.—In evaluating  
6 and rating a project as a whole for project jus-  
7 tification under subparagraph (A), the Sec-  
8 retary may increase 1 point on the 5-point scale  
9 (high, medium-high, medium, medium-low, or  
10 low) the rating of a project if the applicant sub-  
11 mits documented evidence of pro-housing poli-  
12 cies for areas located within walking distance  
13 of, and accessible to, transit facilities along the  
14 project route.

15 “(E) CONSULTATION.—In awarding the in-  
16 creased rating described in subparagraph (D),  
17 the Secretary shall consult with the Secretary  
18 of Housing and Urban Development to develop  
19 the methodology to evaluate, as feasible, the ex-  
20 tent to which the pro-housing policies docu-  
21 mented by the applicant will result, through  
22 new production and preservation, in an amount  
23 of housing units, including housing units af-  
24 fordable below the area median income, that is

appropriate to expected housing demand in the project area over the life of the project.”; and (3) in subsection (o)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking “and” at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following:

“(D) information concerning projects for which the applicant submitted pro-housing policies under subsection (g)(2)(D) and received an adjustment of rating for project justification, including the pro-housing policies submitted and the amount of housing units expected through new production and preservation, including affordable housing, as a result of the expected results of the policies, as measured under subsection (g)(2)(E).”.

○