

119TH CONGRESS  
1ST SESSION

# S. 2441

To provide for adjustments to community development block grant allocations based on improvements in housing growth rates.

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## IN THE SENATE OF THE UNITED STATES

JULY 24, 2025

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

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## A BILL

To provide for adjustments to community development block grant allocations based on improvements in housing growth rates.

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 Now Act of  
5 2025”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) COVERED RECIPIENT.—The term “covered  
9 recipient” means a metropolitan city or urban coun-

ty, as those terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302), that receives funds under section 106.

(2) CURRENT ANNUAL GROWTH RATE.—The term “current annual growth rate”, with respect to an eligible recipient and a fiscal year, means the average annual percentage increase in the number of housing units in the jurisdiction of the eligible recipient, as calculated by the Secretary, during the period—

(A) beginning with the third quarter of the sixth preceding fiscal year; and

(B) ending with the third quarter of the preceding fiscal year.

(3) ELIGIBLE RECIPIENT.—The term “eligible recipient” means any covered recipient unless—

(A)(i) the median Small Area Fair Market Rent in the jurisdiction of the covered recipient is at or below the 60th percentile of median Small Area Fair Market Rents in the jurisdictions of all covered recipients; and

(ii) the median home value in the jurisdiction of the covered recipient is below the median home value for the United States;

1 (B) the annual natural rental vacancy rate  
2 in the jurisdiction of the covered recipient is  
3 greater than the national annual natural rental  
4 vacancy rate for the most recent year available,  
5 as published by the Bureau of the Census;

6 (C) during the 1-year period preceding the  
7 date on which the Secretary allocates funds  
8 under section 106, the jurisdiction of the cov-  
9 ered recipient has been the subject of a major  
10 disaster or emergency declaration under section  
11 401 or 501, respectively, of the Robert T. Staf-  
12 ford Disaster Relief and Emergency Assistance  
13 Act (42 U.S.C. 5170, 5191); or

14 (D) the covered recipient lacks the legal  
15 authority to enact or update zoning and permit-  
16 ting ordinances.

17 (4) EXTREMELY HIGH-GROWTH RECIPIENT.—  
18 The term “extremely high-growth recipient” means  
19 an eligible recipient for which the current annual  
20 growth rate is at or above 4 percent.

21 (5) HOUSING GROWTH IMPROVEMENT RATE.—  
22 The term “housing growth improvement rate”, with  
23 respect to an eligible recipient and a fiscal year,  
24 means the quotient of—

1 (A) the current annual growth rate of the  
2 eligible recipient; and

3 (B) the prior annual growth rate of the eli-  
4 gible recipient.

5 (6) PRIOR ANNUAL GROWTH RATE.—The term  
6 “prior annual growth rate”, with respect to an eligi-  
7 ble recipient and a fiscal year, means the average  
8 annual percentage increase in the number of housing  
9 units in the jurisdiction of the eligible recipient, as  
10 calculated by the Secretary, during the period—

11 (A) beginning with the third quarter of the  
12 11th preceding fiscal year; and

13 (B) ending with the third quarter of the  
14 sixth preceding fiscal year.

15 (7) SECRETARY.—The term “Secretary” means  
16 the Secretary of Housing and Urban Development.

17 (8) SECTION 106.—The term “section 106”  
18 means section 106 of the Housing and Community  
19 Development Act of 1974 (42 U.S.C. 5306).

20 **SEC. 3. ADJUSTMENTS TO COMMUNITY DEVELOPMENT**  
21 **BLOCK GRANT ALLOCATIONS.**

22 (a) IN GENERAL.—In allocating amounts to an eligi-  
23 ble recipient under section 106 for a fiscal year, the Sec-  
24 retary shall adjust the allocation based on the housing

1 growth improvement rate of the eligible recipient, in ac-  
 2 cordance with subsection (b) of this section.

3 (b) ADJUSTMENTS.—

4 (1) HOUSING GROWTH IMPROVEMENT RATE AT  
 5 OR ABOVE MEDIAN; EXTREMELY HIGH-GROWTH RE-  
 6 CIPIENTS.—

7 (A) IN GENERAL.—If, with respect to a fis-  
 8 cal year for which the allocation under section  
 9 106 is being determined, the housing growth  
 10 improvement rate for an eligible recipient is at  
 11 or above the median housing growth improve-  
 12 ment rate for all eligible recipients other than  
 13 extremely high-growth recipients, or if an eligi-  
 14 ble recipient is an extremely high-growth recipi-  
 15 ent, the Secretary shall allocate to the eligible  
 16 recipient for that fiscal year, in addition to the  
 17 amount that would otherwise be allocated to the  
 18 eligible recipient under section 106, a bonus  
 19 amount, as determined under subparagraph (B)  
 20 of this paragraph.

21 (B) BONUS AMOUNT.—For purposes of  
 22 subparagraph (A), the bonus amount for an eli-  
 23 gible recipient for a fiscal year shall be equal to  
 24 the product of—

1 (i) the aggregate amount by which al-  
 2 locations to eligible recipients are de-  
 3 creased under paragraph (2) for that fiscal  
 4 year; and

5 (ii) the quotient of—

6 (I) the number of housing units,  
 7 as of the third quarter of the pre-  
 8 ceding fiscal year, in the jurisdiction  
 9 of the eligible recipient, as calculated  
 10 by the Secretary; and

11 (II) the number of housing units,  
 12 as of the third quarter of the pre-  
 13 ceding fiscal year, in the jurisdictions  
 14 of all eligible recipients that receive a  
 15 bonus amount under this paragraph,  
 16 as calculated by the Secretary.

17 (2) HOUSING GROWTH IMPROVEMENT RATE  
 18 BELOW MEDIAN.—If, with respect to a fiscal year  
 19 for which the allocation under section 106 is being  
 20 determined, the housing growth improvement rate  
 21 for an eligible recipient is below the median housing  
 22 growth improvement rate for all eligible recipients  
 23 other than high-growth outliers, the Secretary shall  
 24 decrease the amount that would otherwise be allo-

1 cated to the eligible recipient under section 106 for  
2 that fiscal year by 10 percent.

3 **SEC. 4. CALCULATION OF HOUSING UNITS.**

4 (a) HUD REQUIREMENTS.—In calculating the num-  
5 ber of housing units in the jurisdiction of an eligible recipi-  
6 ent under any provision of this Act, the Secretary shall—

7 (1) use the Current Address Count Listing  
8 Files and other data products, as needed, of the Bu-  
9 reau of the Census tabulated from the Master Ad-  
10 dress File; and

11 (2) make calculations at the block level, using  
12 boundaries that reflect the most current boundaries.

13 (b) CENSUS BUREAU AND POSTAL SERVICE RE-  
14 QUIREMENTS.—The Bureau of the Census and the United  
15 States Postal Service shall provide any relevant data to  
16 the Secretary upon request to assist the Secretary in mak-  
17 ing a calculation described in subsection (a).

18 (c) ADJUSTMENT OF CALCULATION PERIODS.—The  
19 Secretary may adjust the calculation periods under sub-  
20 paragraphs (A) and (B) of section 2(2), subparagraphs  
21 (A) and (B) of section 2(6), and subclauses (I) and (II)  
22 of section 3(b)(1)(B)(ii) by not more than 2 months to  
23 achieve alignment with the data provided by the Bureau  
24 of the Census.

1 **SEC. 5. ANNUAL REPORT ON HOUSING GROWTH IMPROVE-**  
 2 **MENT RATE.**

3 Before allocating funds under section 106 for a fiscal  
 4 year, the Secretary shall publish a report that—

5 (1) includes the housing growth improvement  
 6 rate for each eligible recipient; and

7 (2) lists, for the most recent fiscal year for  
 8 which allocations were made under section 106—

9 (A) the eligible recipients that received a  
 10 bonus amount under section 3(b)(1); and

11 (B) the eligible recipients for which the al-  
 12 location under section 106 was decreased under  
 13 section 3(b)(2) of this Act.

14 **SEC. 6. NOTIFICATION; IMPLEMENTATION DATES.**

15 (a) NOTIFICATION.—

16 (1) IN GENERAL.—Not later than 60 days after  
 17 the date of enactment of this Act, the Secretary  
 18 shall notify each eligible recipient of the recipient's  
 19 housing growth improvement rate and whether that  
 20 housing growth improvement rate is above, at, or  
 21 below the median housing growth improvement rate  
 22 for all eligible recipients other than extremely high-  
 23 growth recipients.

24 (2) GUIDANCE.—As part of the notification  
 25 under paragraph (1), the Secretary shall share guid-  
 26 ance, including resources developed by the Depart-



1       ment of Housing and Urban Development, on best  
2       practices and recommendations on policies to reduce  
3       regulatory barriers to housing and increase housing  
4       supply.

5       (b) IMPLEMENTATION DATES.—Section 3 shall take  
6       effect beginning with the second full fiscal year after the  
7       date of enactment of this Act and remain in effect through  
8       fiscal year 2042.

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