

MEMORANDUM OF UNDERSTANDING

Between

**THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND THE UNITED STATES DEPARTMENT OF AGRICULTURE**

Regarding

**INTERAGENCY COORDINATION AND IMPLEMENTATION OF SECTION 802 OF
THE 21ST CENTURY ROAD TO HOUSING ACT**

I. PURPOSE

This Memorandum of Understanding (MOU) establishes an agreement between the United States Department of Housing and Urban Development (HUD) and the United States Department of Agriculture (USDA, and together with HUD, the Parties) to streamline standards related to environmental review, environmental impact, environmental regulations, and physical inspections tied to housing.

II. AUTHORITY

Section 802 of the 21st Century ROAD to Housing Act, titled the “Streamlining Rural Housing Act” became law on July 11th, 2026. Section 802(a) states that “the Secretary of Housing and Urban Development and the Secretary of Agriculture shall enter into a memorandum of understanding to” address the topics identified in the Objectives section below. Pub. L. 119-101, 140 Stat. 958.

III. OBJECTIVES

Section 802(a) of the 21st Century ROAD to Housing Act, titled the “STREAMLINING RURAL HOUSING ACT” states:

“... the Secretary of Housing and Urban Development and the Secretary of Agriculture shall enter into a memorandum of understanding to: ;

- 1) Evaluate categorical exclusions under the environmental review process for housing projects funded by amounts from the Department of Housing and Urban Development and the Department of Agriculture;*
- 2) Develop a process to designate a lead agency and streamline adoption of Environmental Impact Statements and Environmental Assessments approved by the other Department to construct housing projects funded by both agencies;*
- 3) Maintain compliance with environmental regulations under part 58 of title 24, Code of Federal Regulations, as in effect on January 1, 2025, except as required to amend, add, or remove categorical exclusions identified under section 58.35 of title 24, Code of Federal Regulations, through standard rulemaking procedures; and*

- 4) *Evaluate the feasibility of a joint physical inspection process for housing projects funded by amounts from the Department of Housing and Urban Development and the Department of Agriculture.*”

IV. ROLES AND RESPONSIBILITIES

The Parties agree to meet regularly to advance the Objectives specified in Section III of this MOU. The Parties will jointly produce a report, and submit it to Congress not later than 1 year after the date of enactment of the 21st Century ROAD to Housing Act. Per Section 802(b), the report will include: “*recommendations for legislative, regulatory, or administrative actions— (1) to improve the efficiency and effectiveness of housing projects funded by amounts from the Department of Housing and Urban Development and the Department of Agriculture; and (2) that do not materially, with respect to residents of housing projects described in paragraph (1)— (A) reduce the safety of those residents; (B) shift long-term costs onto those residents; or (C) undermine the environmental standards of those residents.*”

A. HUD RESPONSIBILITIES

- i. Convene regular meetings with USDA to discuss implementation of the Objectives specified in Section III.
- ii. Work collaboratively on the report required by Section 802(b) of the 21st Century ROAD to Housing Act.

B. USDA RESPONSIBILITIES

- i. Attend regular meetings with HUD to discuss implementation of the Objectives specified in Section III.
- ii. Work collaboratively on the report required by Section 802(b) of the 21st Century ROAD to Housing Act.

V. PERSONNEL AND EXPENSES

Each Party is responsible for its personnel costs, including pay and benefits, support, and travel. Each Party is responsible for the supervision and management of its personnel. Each Party to the MOU will bear its own expenses in connection with the preparation, negotiation, and execution of the MOU, and neither Party shall be liable to the other Party for such expenses.

VI. IMPLEMENTATION AND REPORTING

Signatories to this MOU commit to designating lead offices to generate a report meeting objectives described in Section III and jointly provide the report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services

of the House of Representatives. The Parties commit to assign staff to undertake the Roles and Responsibilities described in Section IV of this MOU.

VII. EFFECTIVE DATE AND TERMINATION

The terms of this MOU will become effective when signed by all Parties and is expected to remain in effect until such time as the report required under subsection (b) has been submitted to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives; provided, that the Parties may extend the terms of this MOU by mutual agreement. If so extended, any Party, upon sixty (60) days written notice to the other Party, may terminate this MOU.

VIII. MODIFICATION

This MOU may be modified upon the mutual written consent of the Parties, and such modification shall be effective when executed in writing by the Parties.

IX. PUBLIC RELEASE OF INFORMATION

The Parties will coordinate all public statements regarding the MOU. No Party to the MOU may enter into any publicity or release information regarding the MOU without the prior approval of the other Party, unless the Parties and any relevant communications or congressional affairs offices as designated by the Parties consult in advance on the form, timing, and contents of any such publicity.

X. STATEMENT OF NON-BINDING INTENT AND NO FINANCIAL OBLIGATION

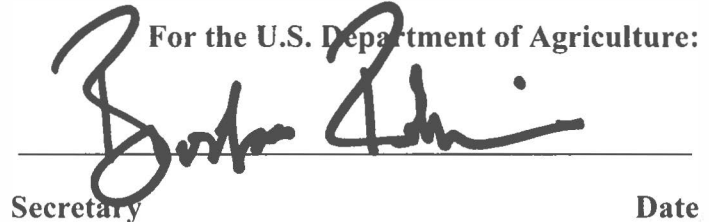
This MOU is an expression of intent only. Each of the Parties will act as an independent party with respect to the performance of its duties under the MOU. The MOU does not obligate funds and will not result in an exchange of funds, personnel, property, services, or any kind of financial commitment. It will not result in a transfer of resources between the Parties. Any future transfer of funds or obligation to undertake certain work must be confirmed by an appropriate funding agreement executed by authorized officials from the agencies that are signatories to the MOU. The MOU does not give any third party any benefit, legal or equitable right, remedy, or claim under the MOU.

XI. SIGNATURES

For the U.S. Department of Housing and Urban Development


Secretary _____ Date _____

For the U.S. Department of Agriculture:


Secretary _____ Date _____

Bill Text

SEC. 802. STREAMLINING RURAL HOUSING ACT.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall enter into a memorandum of understanding to—

(1) evaluate categorical exclusions under the environmental review process for housing projects funded by amounts from the Department of Housing and Urban Development and the Department of Agriculture;

(2) develop a process to designate a lead agency and streamline adoption of Environmental Impact Statements and Environmental Assessments approved by the other Department to construct housing projects funded by both agencies;

(3) maintain compliance with environmental regulations under part 58 of title 24, Code of Federal Regulations, as in effect on January 1, 2025, except as required to amend, add, or remove categorical exclusions identified under section 58.35 of title 24, Code of Federal Regulations, through standard rulemaking procedures; and

(4) evaluate the feasibility of a joint physical inspection process for housing projects funded by amounts from the Department of Housing and Urban Development and the Department of Agriculture.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on

Financial Services of the House of Representatives a report that includes recommendations for legislative, regulatory, or administrative actions—

(1) to improve the efficiency and effectiveness of housing projects funded by amounts from the Department of Housing and Urban Development and the Department of Agriculture; and

(2) that do not materially, with respect to residents of housing projects described in paragraph (1)— (A) reduce the safety of those residents; (B) shift long-term costs onto those residents; or (C) undermine the environmental standards of those residents.