



To: Members of the House Financial Services Committee
From: National Taxpayers Union
Date: December 16, 2025
Subject: NTU's Views on December 16, 2025, Committee Markup

I. Introduction and Key Taxpayer Considerations

On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, we write to express our views on several measures slated for consideration before the House Financial Services Committee on December 16, 2025. NTU applauds the Committee for its continued efforts to advance legislation that improves government efficiency, cuts red tape, encourages free market innovation, and protects consumers. As such, NTU strongly urges Committee members to consider our perspective on a handful of bills set to be considered.

II. NTU's Perspective on Legislation

H.R. 4646, the Whistleblower Protection Act. This legislation, introduced by Reps. De La Cruz (R-TX) and Williams (D-GA), would significantly strengthen whistleblower protections for federal contractors at the Department of Housing and Urban Development. It closes a loophole in current law that failed to give protections for contract employees with contracts dating back to 2013, leaving them vulnerable to retaliation after reporting waste, fraud, or abuse within federal agencies. These gaps not only discourage honest workers from coming forward, but also allow those who engage in retaliation to avoid meaningful accountability. With billions of taxpayer dollars flowing through federal contracts, employees deserve clear, enforceable protections when they speak up to safeguard the integrity of public funds. *NTU supports H.R. 4646.*

H.R. 5577, the NFIP Extension Act. Labeled yet again as "High Risk" in a 2025 Government Accountability Office report, the NFIP has at least a \$22.5 billion debt to taxpayers and serious structural deficiencies, even after a \$16 billion congressional bailout in 2017. Without comprehensive adjustments to risk-based pricing, removal of barriers to private market innovation, and other reforms, it is unlikely that the NFIP will achieve fiscal sustainability. Instead, the NFIP invites a moral hazard by subsidizing homeowners to live and build in flood-prone, often ecologically sensitive areas, and by discouraging mitigation efforts. Simply enacting another clean extension of the NFIP does a disservice to taxpayers and policy holders.

Rather than kick the can down the road, Congress must consider including common-sense provisions from previous Congresses as a guidepost for relatively modest changes to a program with major problems. These small steps should also serve as a foundation for a more comprehensive package. As a result, we urge the inclusion of substantial reforms rather than penciling in a new date at the end of FY26. *NTU has significant concerns with H.R. 5577.*

H.R. 6644, the Housing for the 21st Century Act. This legislation, introduced by Chairmen Hill (R-AR) and Flood (R-NE), and Ranking Members Waters (D-CA) and Cleaver (D-MO), is a critical solution to address the housing affordability crisis by reducing government barriers to building. At its core, America's housing shortage

is driven by restrictive policies at the state and local level which have increased costs to construction and reduced the areas in which housing can be built. These regulations stifle new home building and have created a persistent gap between housing supply and demand, and ultimately put financial pressure on the wallets of working class Americans. A report by Up For Growth revealed a nationwide housing deficit of 3.85 million units in 2022, more than twice the level seen in 2012.

Thankfully, this package introduces reforms intended to streamline housing production, modernize existing programs and give counties more flexibility to meet local needs—all the while avoiding new spending authorizations that taxpayers would have to bear. By identifying and setting new voluntary guidelines on how to modernize local zoning frameworks, the Housing for the 21st Century Act helps reduce barriers that drive up costs, delay projects, and limit housing choices—especially in high-opportunity areas near jobs, transit, and schools. Over time, better information can support smarter reforms that allow more apartments, townhomes, and mixed-use developments to be built where people want to live.

However, NTU is concerned about the significant increase of statutory maximum loan limits for Federal Housing Administration (FHA) mortgage insurance. We believe it would further increase the liability risk taxpayers would be exposed to in the event of a downturn in market conditions. We urge you to reconsider the inclusion of this provision or to attach stronger protections to ensure taxpayers are not unfairly impacted. For example, the Committee could require regular reports from the FHA Inspector General on the size and risk levels of the new liabilities that would accrue due to the higher limits.

Increasing supply helps stabilize rents, expands workforce housing options, and reduces long commutes that strain families and infrastructure alike. For taxpayers, transparency ensures that federal dollars are not inadvertently reinforcing policies that worsen affordability. **NTU supports H.R. 6644.**

III. Contact Information

Should you have any questions about the recommendations in this memo, please do not hesitate to reach out to Thomas Aiello at taiello@ntu.org.