

## **‘American Families Shouldn’t Pay Twice for Federal Siloing—Once in Unaffordable Housing and Again in Long Commutes’ plus Ugly Duckling of Affordable Housing-Niskanen Center-Unpacking Puzzle-FEA**

"The Niskanen Center is a 501(c)3 issue advocacy organization that works to change public policy through direct engagement in the policymaking process," is a self-description from that organization from their document: "[Manufactured housing: The Ugly Duckling of affordable housing](#)." That "[Ugly Duckling](#)" was released in April 2023 and more recently The Niskanen Center published an op-ed via the Hill and republished it on their [own website](#) about: "**Transportation Policy is Incomplete Without Housing**." Each of those items arguably make several evidence- and commonsense supported points. That noted, even broadly sound arguments can reveal disconnects, which is apparently the case with those two headline items. Andrew Justus, J.D., was a coauthor in each article and op-ed. Yet the "Ugly Duckling" article makes some insightful, if incomplete, arguments about the need for more HUD Code. Yet the second article via the Hill fails to mention manufactured housing at all in their recent op-ed. To provide a sense of the Niskanen Center's leanings, per [Influence Watch](#): "The Niskanen Center is a nominally libertarian 501(c)(3) environmental think tank with ties to center-left environmental groups." According to their [website](#): "Andrew Justus is a housing policy analyst at the Niskanen Center. He works on urban issues, including housing, transportation, and infrastructure, with an emphasis on housing abundance. Previously, he was an associate attorney at Sullivan & Barros, LLP, where his work covered D.C. zoning and land use regulations for residential developments. Justus has also worked at Smart Growth America where he focused on Complete Streets, rural development, and intercity passenger rail policy. Justus received a Masters of Urban and Regional Planning (M.U.R.P.) from the University of Michigan a J.D. from Western Michigan University's Thomas M. Cooley Law School, and a BA from Grand Valley State University." Justus' thinking has been covered in [MHProNews](#) in [articles](#) like the one [linked here](#), and also by [MHLivingNews](#) in [an article linked here](#). For this [MHProNews](#) installment of the [facts-evidence-analysis](#) (FEA) methodology, elements from that recent and prior Niskanen Center argument on the importance of the need for transportation and more affordable housing will be examined. This is an apt case study of the enduring principle of [separating the proverbial wheat from the chaff](#). From Niskanen's "[An Agenda for Abundant Housing](#)," which again included Justus as a coauthor and has a pitch for more manufactured housing, are the following bullets.

1) Bold is added in the pull quotes that follows, but the text is as provided from the policy article linked above and below.



### Key takeaways

- The United States is experiencing its second crisis of housing scarcity. Unlike the first, which arose in fast-growing 19th century cities before the advent of tall buildings and modern transit, **this one is purely political.**
- Today, the housing supply is limited by the twinned problems of anti-density regulations and difficulties scaling up mass transit.
- Suburban housing restrictions have their roots in racial exclusion. Restrictions in legacy urban cores are the result of postwar policies to “renew” these cities into lower-density, car-oriented forms, followed by efforts to curb abuses of urban renewal and mitigate the population loss it drove.
- The conventional wisdom is that both sets of restrictions survive because incumbents seek to defend property values and/or “neighborhood character” against an influx of low-income residents and

automobiles — a logic that assumes transit will not scale and costs will be locally concentrated.

- But this conventional wisdom misses crucial political dynamics. Land values for many homeowners in

hot markets would rise, not fall, at higher densities; meanwhile, renters often resist such density even

though it would lower their costs. These gaps in the standard model point to possibilities for new

arguments and coalitions to strengthen the emerging YIMBY (Yes In My Backyard) cause.

- **These coalitions should seek to move zoning decisions to higher levels of government** that serve

wider areas and therefore can better realize the benefits of density while sharing its costs over a

larger population. At the same time, local communities experiencing rapid growth should receive the

support they need for the sake of fairness — and to prevent a voter backlash.

- Reformers should also tackle a host of **regulations that drive construction costs for both housing**

**and transit** far higher than they must be; for transit in particular, **U.S. expenses are well above**

**international norms.**

2) From the same [document](#) cited above. Bold is added by MHPProNews but the text is as in the original.

Houses, like refrigerators, can be built in factories. Such “**manufactured homes**” or “**HUD code**” homes, are the most affordable form of housing in many areas today. They are especially popular in small towns and unincorporated rural areas where land prices are cheaper and land use controls are not always as tight as in cities. Still, there is no need for them to be excluded from urban areas. **But regulatory reform is needed to increase their supply and realize their potential.**

A shortage of skilled tradespeople in the housing sectors is a final part of the supply equation. For a generation or more, public schools have deemphasized career and technical education. However, better training programs make little sense unless wages in construction trades are high enough to attract candidates. High wages, in turn, are consistent with abundant and affordable housing only if productivity is high. **There is a natural complementarity here between training and reform of regulations for**

**manufactured homes.** A more permissive approach to manufactured homes would boost the productivity of on-site construction labor.

We could allow ourselves to **leverage advances like factory-built “manufactured homes” with their inherent efficiencies for places where construction speed is paramount or skilled workers are in short supply. We could relieve restrictions on density. At the most fundamental level, supply-side housing policy is a matter of letting people live where and how they choose, without unnecessary interference from regulators.**

...

Building code regulations that increase costs, reduce quality, and don’t demonstrably produce net benefits should be liberalized. At the same time, regulatory reform should facilitate increased use of manufactured housing, both single-family and multi-family. In the past, mobile homes and kit homes served these needs. **Modern versions of those should be legal everywhere.** As mentioned earlier, training and apprenticeship programs that increase the supply of skilled workers can also help control costs.

3) From the Niskanen Center's "[Manufactured Housing: The Ugly Duckling of affordable housing](#)" document is this quote.

State-level fair housing laws layered on HUD’s AFFH rule, where they exist, should similarly consider discriminatory treatment of manufactured housing in their local fair housing evaluation criteria. Last, states should consider modifying local control of manufactured housing bans, including preempting the local power to ban them from residentially zoned land. State-level preemption has proven necessary thus far to broadly re-legalize other classic “starter home” typologies like accessory dwelling units.

There are echoes (not the same, but somewhat similar) arguments from the Manufactured Housing Association for Regulatory Reform (MHARR) to what the Niskanen Center has argued on topics like [Affirmatively Affirming Fair Housing](#) (AFFH), on the need to use [federal "enhanced preemption"](#) (a logical extension of state preemption over local zoning barriers that arguably fits Niskanen's quote above: "...**coalitions should seek to move zoning decisions to higher levels of government**").

That said, as useful or insightful as "[An Agenda for Abundant Housing](#)" and "[Manufactured Housing: The Ugly Duckling of affordable housing](#)" are (see pull quotes above, curiously, neither of those documents cited the Manufactured Housing Improvement Act of 2000 (MHIA, MHIA 2000, 2000 Reform Law, 2000 Reform Act). The transcript of Congressional hearings on the failure to properly enforce the 2000 Reform Act are found linked [here](#) and [here](#) with FEA elements added. More recent remarks calling on Congress to robustly

enforce federal preemption by a Manufactured Housing Institute CEO on behalf of MHI is [linked here](#).

3) This mashup of [facts-evidence-analysis](#) (FEA) is well underway.

The infographic is divided into three horizontal sections. The top section, on a light blue background, defines 'Mashup' as blending two or more elements into a new whole, accompanied by icons of a megaphone, musical notes, and a speech bubble. The middle section, on an orange background, features the 'MH' logo and the text 'MHVille Defined: Pro MANUFACTURED HOUSING despite artificial barriers, internal consolidation-concentration industry self-limits.', with icons of a crane and houses. The bottom section, on a dark blue background, is titled 'FEA Model' and includes icons for 'FACTS' (a document), 'EVIDENCE' (a magnifying glass), and 'ANALYSIS' (a head with gears). To the right of the infographic are logos for 'MHPRONEWS.com' (with a disclaimer: 'Third Party Content Provided Under Fair Use Guidelines.') and 'Copilot'.

Part I. From the Niskanen Center "[Op-Ed: Transportation policy is incomplete without housing](#)." MHPProNews notes that even though Justus was involved in the two longer research documents cited above, this [2026 article failed to mention or even link](#)

**manufactured housing. That apparent weakness noted, some of the points cited below merit attention provided under fair use guidelines for media.**

The housing crisis delivers a one-two punch to millions of American families: first in the unaffordable rents and mortgages, then in the brutal commutes from the homes they're forced to accept.

Housing and transportation together consume nearly half of the typical household budget, yet Washington continues to treat them as separate problems. This year's surface transportation reauthorization offers Congress a rare chance to tackle both issues simultaneously.

...

Expanding access to opportunity will require both building new transportation infrastructure and allowing people to live nearby.

...

Federal transportation dollars should reward the jurisdictions that allow property owners to build. They should not subsidize places that restrict growth with onerous regulations. Transportation policy cannot be separated from housing policy — the surface transportation bill must tackle both.

...

States like [Texas](#) and [Utah](#) are leading the nation in housing production...

American infrastructure costs vastly exceed those of other developed countries. New York's Second Avenue Subway cost over \$2 billion per mile, several times the costs experienced by comparable European countries. ...

Congress has a narrow window for action. Surface transportation reauthorization happens once every five years at best and housing affordability has already been in crisis for years. Ultimately, addressing the cost-of-living crisis requires a surface transportation bill that treats housing and transportation as an integrated system.

American families shouldn't pay twice for federal siloing — once in unaffordable housing, and again in long commutes.

**Part II. Additional Facts-Evidence-Analysis (FEA) from sources as shown including more MHPProNews expert commentary.**

**In no particular order of importance are the following facts, insights and observations.**

1) From an array of sources, including McKinsey and the National Low Income Housing Coalition, is the asserted data-point that a lack of affordable housing near where it is needed is costing the U.S. economy about \$2 trillion dollars annually in lost GDP due to the economic drag. That figure arguably supports portions of what Niskanen researchers have said in their remarks, cited above.

[caption id="attachment\_218386" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/2-trillion-dollar-annual-u-s-dilemma-raised-by-nlihc-and-mckinsey-mharr-reports-manufactured-housing-production-growth-june-2025-historic-facts-key-expert-quotes-research-and-mhville-fea/>[/caption]

2) At a time when federal preemption is being pressed for the sake of artificial intelligence (AI), it should be obvious that certain problems that have their roots in "localism" clearly need to address that barrier by overcoming localism.

[caption id="attachment\_229459" align="aligncenter" width="600"]



Marsha Blackburn |  
Congress.gov

# 'COMBATING PATCHWORK OF STATE AI RULES'

WHY IS CONGRESS FAVORING FEDERAL PREEMPTION FOR AI BUT EFFECTIVELY OPPOSING PREEMPTION ON ZONING LAWS-REGULATIONS IN PENDING HOUSING BILLS? FEA

<https://www.manufacturedhomepronews.com/combating-patchwork-of-state-ai-rules-why-is-congress-favoring-federal-preemption-for-ai-but-effectively-opposing-preemption-on-zoning-laws-regulations-in-pending-housing-bills-fea/>

3) The two Congressional bills curiously avoid addressing the very problem - local zoning barriers - and in a sense may be rewarding them.

[caption id="attachment\_229554" align="aligncenter" width="600"]



## 1 SIMPLE LEGISLATIVE FIX NEEDED TO SOLVE AMERICA'S HOUSING

ENFORCING FEDERAL PREEMPTION

MHL CODE HWE  
FEDERAL PREEMPTION  
MANUFACTURED HOUSING IMPROVEMENT ACT OF 2000

MHLivingNews.com  
MHLivingNews

<https://www.manufacturedhomelivingnews.com/backstory-with-wnd-exclusive-1-simple-legislative-fix-needed-to-solve-americas-housing-crisis-21st-century-road-to-housing-act-will-fail-without-this-obvious-remedy-by-l-a/>[caption]  
id="attachment\_229494" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/trump-housing-eos-manufactured-housing-institute-mhi-silent-holland-knight-update-on-senate-the-21st-century-road-to-housing-act-h-r-6644-can-trump-eos-boost-manufactured-homes-fea/>[caption]

4) Despite their own arguments about the need for preemption (at least at the state level, but arguably by implication at the federal level), Niskanen curiously applauded the passage of the 21st Century ROAD to Housing Act. Their 3.12.2026 press release is linked [here](#) and shown below.

Niskanen Center Statement on United States Senate Passage of the 21st Century ROAD to Housing Act

[Niskanen Center](#)

FOR IMMEDIATE RELEASE

March 12, 2026

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Washington, D.C. – The Niskanen Center welcomed the Senate’s passage of the 21st Century ROAD to Housing Act, calling the legislation a significant federal response to the nation’s worsening housing shortage. Passed by a vote of 89-10, the package represents

Congress's most meaningful effort in 30 years to increase housing supply at a time when housing affordability has reached historic lows and more Americans feel left behind.

The legislation includes several provisions designed to reduce regulatory bottlenecks and realign federal incentives to encourage new housing construction. Measures such as the Build Now Act would create targeted incentives for cities to significantly expand housing construction and address persistent supply shortages. Other provisions would streamline permitting for preapproved building plans on vacant lots, helping to reduce construction timelines and cut costly red tape.

While these provisions are a meaningful first step for pro-housing advocates, the Niskanen Center expressed reservations about Section 901, which would impose restrictions on institutional ownership of single-family rental homes, including a requirement that certain Build-to-Rent homes be sold to individuals within seven years of construction. This provision will undermine investment in new suburban rental housing and limit an important source of housing supply.

As the legislation moves to the House of Representatives, Congress must remain focused on policies that expand housing supply across the entire market.

"We applaud Majority Leader Thune, Minority Leader Schumer, Chairman Scott, Senator Warren, Senator Kennedy, and the Senate for their bipartisan commitment to addressing America's housing shortage," said Kaj Gumbs, Niskanen Center's Government Affairs Manager. "We look forward to working with lawmakers in both chambers to ensure the final package strengthens housing supply and approves affordability for American families."

*The Niskanen Center is a 501(c)(3) advocacy organization established in 2014 to change public policy through direct engagement in the policymaking process.*

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7)