



OFFICE OF PUBLIC & INDIAN HOUSING

## **American Rescue Plan Act of 2021: Brief Summary of HUD PIH Provisions**

**March 23, 2021**

### **American Rescue Plan Act of 2021**

The [American Rescue Plan Act of 2021](#) (ARP), a \$1.9 trillion coronavirus relief bill, was signed by the President on March 11, 2021. The ARP seeks to change the course of the pandemic and deliver immediate relief. It invests in getting the economy back on track, getting COVID-19 vaccinations to all Americans, safely reopening schools, and implementing measures to cut childhood poverty in half.

The ARP appropriates funding for HUD's Public and Indian Housing (PIH) programs, including \$5 billion for Emergency Housing Vouchers for households experiencing or at risk of homelessness and \$745 million for housing and community development investments in Native American and Native Hawaiian communities. PIH is working to make these critical resources available to Public Housing Agencies (PHAs), Tribes, and Tribally Designated Housing Entities (TDHEs) as quickly as possible.

Below is a brief summary of the PIH provisions of the ARP. A summary of other housing-related and direct relief provisions that may particularly benefit HUD-assisted households is also provided but is not all-inclusive.

### **Public and Indian Housing**

#### ***Emergency Housing Vouchers***

The ARP appropriates \$5 billion, to remain available until September 30, 2030, for new incremental Emergency Housing Vouchers specifically targeted to individuals who are homeless, at-risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, or are recently homeless.

The \$5 billion includes renewals of those vouchers, fees for administrative costs, other eligible expenses to facilitate leasing, and adjustments to the calendar year 2021 renewal funding

allocations for per unit cost increases to prevent terminations of assistance due to funding shortfalls.

The emergency vouchers are to be allocated through a formula, as determined by the HUD Secretary, that includes PHA capacity and ensures geographic diversity, including with respect to rural areas. HUD is required to notify PHAs of the number of emergency vouchers to be allocated to the PHA no later than May 10, 2021. Emergency Housing Vouchers that turn over may not be reissued after September 30, 2023.

### *Housing and Community Development in Native American and Native Hawaiian Communities*

In total, the ARP appropriates \$1.24 billion for housing-related needs in Native communities. For HUD programs, the Act includes \$450 million for the Indian Housing Block Grant program, \$280 million for the Indian Community Development Block Grant program, and \$5 million for the Native Hawaiian Housing Block Grant program. The ARP also provides \$10 million for related technical assistance. In addition, \$498 million of the Homeowner Assistance Fund administered by Treasury is dedicated to providing relief to struggling Native American homeowners.

### **Other HUD Programs**

The ARP provides \$5 billion for homelessness assistance through the HOME Investment Partnerships Program (HOME) for affordable and supportive housing development, short-term rental assistance, development of non-congregate shelter, and supportive services for people experiencing or at risk of homelessness, including veterans and survivors of domestic violence. For more information on other HUD programs, see [HUD's American Rescue Plan Fact Sheet](#).

### **Other Federal Agencies' Housing-Related Programs**

#### *Treasury*

The ARP provides \$21.6 billion to be administered by Treasury's Emergency Rental Assistance program to states, territories, and local governments to assist households that are unable to pay rent and utilities due to the COVID-19 crisis. The ARP also provides nearly \$10 billion through Treasury's Homeowner Assistance Fund to states, territories, and Tribes to help struggling homeowners at 100 percent of the national area median income to pay mortgage, taxes, insurance, and other fees in order to stay in their homes. The new funding will leverage existing program structures, allowing for money to be disbursed quickly and efficiently to on the ground emergency programs. PIH is collaborating with Treasury to help hardest-hit families to receive their equitable share of relief, including HUD-assisted households. For more information, see [Treasury's American Rescue Plan Fact Sheet](#).

#### *USDA*

The ARP includes two provisions specifically for USDA rural housing programs. The Section 521 Rental Assistance program will provide \$100 million for tenants in USDA-financed properties who are not already receiving Rental Assistance and have lost income because of the

pandemic. Protections for homeowners will be provided through \$39 million for new Section 502 direct mortgage loans and Section 504 repair loans. For more information, see [USDA's American Rescue Plan Fact Sheet](#).

### *Health and Human Services (HHS)*

The ARP appropriates \$4.5 billion to HHS for the Low-Income Home Energy Assistance Program (LIHEAP) to provide energy assistance to eligible households.

### **Direct Relief to Families**

The ARP provides about \$1 trillion towards direct payments and tax credits to support the economic recovery of households hit hard by the pandemic, with a particular focus on reducing child poverty and delivering immediate relief for frontline workers who have helped their communities get through the pandemic. PIH will share information as it becomes available to help PHAs, Tribes, and TDHEs proactively ensure that HUD-assisted residents are able to access and benefit from these emergency resources.

The ARP provides the following relief along with additional relief not listed here:

- Gives working families a \$1,400 per-person check. More than 85% of households will receive a check. For the first time, adult dependents are entitled to a check as well. This means a lower or middle-income family of four will see an additional \$5,600 in their pockets.
- Extends current unemployment insurance benefits and eligibility to September 6, 2021, and provides a \$300 per week supplement.
- Increases the value of Supplemental Nutrition Assistance Program (SNAP) benefits by 15 percent through September 2021.
- Increases the Child Tax Credit from \$2,000 per child to \$3,000 per child (\$3,600 for a child under age 6) and makes 17-year-olds qualifying children for the year.
- Increases the Earned Income Tax Credit for 17 million workers by as much as \$1,000. The top occupations that will benefit are cashiers, food preparers and servers, and home health aides – frontline workers who have helped their communities get through the pandemic.
- Expands child care assistance, helps hard-hit child care providers cover their costs, and gives families an additional tax credit to help cut child care costs. Families will get back as a refundable tax credit as much as half of their spending on child care for children under age 13, so that they can receive a total of up to \$4,000 for one child or \$8,000 for two or more children.
- Provides an additional \$1 billion for states to cover the additional cash assistance that Temporary Assistance to Needy Families (TANF) recipients needed as a result of the pandemic.