



American Rescue Plan Housing & Homelessness

The American Rescue Plan (ARP) includes funds for programs to help renters and homeowners to alleviate pandemic-related housing issues. ARP includes a robust and comprehensive package of relief funding to boost housing stability, reduce homelessness, and support others facing housing-related hardships.

Programs and Their Purposes

Emergency Rental Assistance Program - \$21.6 billion (U.S. Department of Treasury)

The Emergency Rental Assistance Program provides emergency aid to low-income renters that have lost their income, are experiencing financial hardship and are at risk of losing housing. These funds, provided in the December emergency package, can be used for rent payments or arrearages to avoid/prevent eviction. The program includes \$2.5 billion for low-income renter households paying more than 50 percent of income on rent or living in substandard or overcrowded conditions, rental market costs, and change in employment since February 2020 used as the factors for allocating funds. Eligible households include one person or more qualified for unemployment benefits; reduced income or significant costs during COVID-19 pandemic; risk of homelessness; household income below 80% area median income (AMI).

Emergency Housing Vouchers - \$5 billion (U.S. Department of Housing and Urban Development)

The Emergency Housing Vouchers for Section 8 Housing provides vouchers for public housing agencies to individuals and families who are currently or recently homeless, and to those who are fleeing domestic violence, sexual assault, or human trafficking. Vouchers cannot be reissued after assistance to family ends. According to the Center for Budget and Policy Priorities, unlike cash assistance, vouchers offer longer-lasting support that can help renters remain stably housed as the recovery takes hold. Recipients can use the new vouchers as long as needed to afford housing, but the new vouchers differ from regular vouchers in that housing agencies may not reissue them to new households after September 30, 2023.

The Evidence of Housing Vouchers ([Center for Budget and Policy Priorities](#))

“The Department of Housing and Urban Development’s (HUD) rigorous Family Options Study found, for example, that more than one-third of formerly homeless families with children experienced subsequent episodes of homelessness or housing instability over a three-year period unless they received housing vouchers or other longer-term rental assistance. Formerly homeless people with underlying health or behavioral health conditions are also likely to face significantly longer recoveries, and housing vouchers paired with mainstream services such as mental health support, health care, or substance use treatment can help provide them with stable housing during that time.”

Homelessness Assistance Programs and Supportive Program Services - \$5 billion (U.S. Department of Housing and Urban Development)

ARP appropriates \$5 billion to the Secretary of the U.S. Department of Housing and Urban Development for homelessness assistance and supportive programs services including tenant-based rental assistance; supportive services to qualifying individuals or families such as housing counseling and homeless prevention services; acquisition and development of non-congregate shelter units that can be used for emergency shelter or converted to permanent affordable housing. Funds will be available within 30 days of enactment using [HOME Investment Partnership formula](#) (p. 12) (see recent HUD allocations [here](#)). Grantees that receive funding may use up to 15% for administrative costs and up to 5% for operating costs.

Homeowners Assistance Program - \$9.96 billion (U.S. Department of Treasury)

This new homeowners assistance program mitigates financial hardships associated with the coronavirus pandemic by providing such funds to prevent homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship.

Rural Housing [Section 502](#) and [504](#) - \$39 million (U.S. Department of Agriculture)

There is also \$39 million to assist rural homeowners through USDA's [Section 502](#) and [Section 504](#) direct loan programs available through September 30, 2023. In addition ARP includes \$100 million to support individuals living in rural Agriculture Department-subsidized properties who have experienced income loss but are not receiving federal rental aid.

Fair Housing Activities and Housing Counseling - \$20 million and \$100 million (U.S. Department of Housing and Urban Development)

ARP provides \$20 Million for the Fair Housing Initiatives Program for fair housing organizations that have additional resources to address fair housing inquiries, complaints, investigations, education and outreach activities, and costs of delivering or adapting services, during or relating to the coronavirus pandemic. At least 40% must be provided to housing counseling organizations that target minority and low-income homeowners, renters, and individuals experiencing homelessness or to provide services in neighborhoods with high concentrations of minority and low-income homeowners, renters, and individuals experiencing homelessness. APR also includes \$100 million for grants to housing counseling groups, including through NeighborWorks America.

Housing Assistance for Native Hawaiians and Tribal Nations and Communities

According to the Center for Budget Policy and Priorities, "ARP also includes \$750 million to reduce housing-related health risks during the pandemic. In combination with emergency rental assistance provided in the December COVID-19 relief package, this funding, which includes formula-based and competitive block grants, will also help Native Americans living in tribal areas or on Native Hawaiian home lands pay back rent and stay stably housed."

Utilities Assistance Programs (Administration for Children and Families, U.S. Department of Health and Human Services)

ARP includes \$4.5 billion for assistance through [Low-Income Housing Energy Assistance Program](#) (LIHEAP) and \$500 million for assistance through [Low-Income Household Drinking Water & Wastewater Emergency Assistance Program](#).

Available Funding

U.S. Department of Treasury	\$21.6 billion	Emergency Rental Assistance Program
	\$18.712 billion	State and local emergency rental assistance
	\$305 million	Puerto Rico, Virgin Islands, Guam, Northern Mariana Islands, and American Samoa
	\$2.5 billion	High-need grantee payments
	\$30 million	Program administration by the Treasury
	\$3 million	Program oversight by the Inspector General
	\$9.96 billion	Homeowners Assistance Program
	\$40 million	Creation and implementation of State and tribal technical assistance for program administration
	\$2.5 million	Program oversight by the Inspector General
	\$20 million	Fair Housing and Counseling Services
U.S. Department of Housing and Urban Development	\$5 billion	Emergency Housing Vouchers
	\$5 billion	Homelessness Assistance Programs and Supportive Program Services
	\$25 million	Provide an immediate increase in capacity building and technical assistance available to any grantees implementing activities or projects consistent with this section.
	\$50 million	Administrative costs to oversee and administer implementation of this section and the HOME

		program generally, including information technology, financial reporting, and other costs.
U.S. Department of Agriculture	\$39 million	Rural Housing Section 502 and 504

Funding Flows

Emergency Rental Assistance Program - \$21.6 billion (U.S. Department of Treasury)

The funds are provided directly to States, U.S. Territories, local governments, and Indian tribes with populations of more than 200,000. Grantees use the funds to provide assistance to eligible households through existing or newly created rental assistance programs.

Emergency Housing Vouchers - \$5 billion (U.S. Department of Housing and Urban Development)

Emergency Housing Vouchers will be provided to public housing authorities for distribution to individuals and families.

Homelessness Assistance Programs and Supportive Program Services - \$5 billion (U.S. Department of Housing and Urban Development)

Funds will be allocated through the [HOME Investment Partnership formula](#).

Fair Housing Activities and Housing Counseling - \$20 million and \$100 million (U.S. Department of Housing and Urban Development)

Funds will be provided to State housing finance agencies, and NeighborWorks organizations.

Timing of Funding

Emergency Rental Assistance Program - \$21.6 billion (U.S. Department of Treasury)

First 40% of funding for the emergency rental assistance program will be provided within 60 days of enactment and will remain available through Sept. 30, 2027, if obligated by October 1, 2022. Funds provided to grantees under the measure would remain available through September 30, 2025. The measure also would extend the use of rental assistance funds under the year-end package through September 30, 2022.

Emergency Housing Vouchers - \$5 billion (U.S. Department of Housing and Urban Development)

Public Housing Authorities will be notified of the number of vouchers allocated to them within 60 days and vouchers will be distributed by a formula that includes capacity and ensures geographic diversity. The Secretary may revoke and redistribute any un-leased vouchers after a reasonable time.

Homelessness Assistance Programs and Supportive Program Services - \$5 billion (U.S. Department of Housing and Urban Development)

Funds will be available within 30 days of enactment using HOME Investment Partnership formula.

Homeowners Assistance Program - \$9.96 billion (U.S. Department of Treasury)

The Secretary shall make payments, beginning not later than 45 days after enactment.

Use of Funds

Emergency Rental Assistance Program - \$21.6 billion (U.S. Department of Treasury)

Allowable uses

Grantees would have to use the funds to provide financial assistance to eligible households, including for rent, rental arrears, and utility and home energy costs and arrears, as well as other costs determined by the Treasury Secretary.

Permissible Uses for Administrative Set Aside

No more than 15% of the grant can be used for administrative costs which include data collection and reporting related to these funds. No more than 10 percent of funds received by an eligible grantee from payments made under this section may be used to provide case management and other services intended to help keep households stably housed.

Emergency Housing Vouchers - \$5 billion (U.S. Department of Housing and Urban Development)

Permissible Uses for Administrative Set Aside

\$20,000,000 of the amounts made available under this section for the costs to the Secretary of HUD for administering and overseeing the implementation of this section and the Housing Choice Voucher program generally, including information technology, financial reporting, and other costs. Of the amounts set aside under this subsection, the Secretary of HUD may use not more than \$10,000,000, without competition, to make new awards or increase prior awards to existing technical assistance providers to provide an immediate increase in capacity building and technical assistance to public housing agencies.

Homelessness Assistance Programs and Supportive Program Services - \$5 billion (U.S. Department of Housing and Urban Development)

Permissible Uses for Administrative Set Aside

Up to \$50,000,000 of the amounts made available under this section shall be used by HUD for the administrative costs to oversee and administer implementation of this section and the HOME program generally, including information technology, financial reporting, and other costs.

Homeowners Assistance Program - \$9.96 billion (U.S. Department of Treasury)

Allowable uses

Mortgage payment assistance; financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing related costs related to a period of forbearance, delinquency, or default; principal reduction; facilitating interest rate reductions; payment assistance for utilities, including electric, gas, home energy, and water; internet service, including broadband

internet access service; homeowner's insurance, flood insurance, and mortgage insurance; and homeowner's association, condominium association fees, or common charges.

Rural Housing Section 502 and 504 - \$39 million (U.S. Department of Agriculture)

Secretary Set Aside

The Secretary of Agriculture may use not more than 3 percent of the amounts appropriated under this section for administrative purposes.

**Fair Housing Activities and Housing Counseling - \$20 million and \$100 million
(U.S. Department of Housing and Urban Development)**

Secretary Set Aside

The Secretary of HUD may use not more than 3 percent of the amounts appropriated under this section for administrative purposes.

Learn more about the American Rescue Plan on the Results for America [website](#).