



U.S. HOUSE COMMITTEE ON FINANCIAL SERVICES
– CHAIRWOMAN MAXINE WATERS –
H.R. 5376, THE “BUILD BACK BETTER ACT”
SUMMARY OF TITLE IV

The **more than \$150 billion in funding** provided in the Financial Services title of the Build Back Better Act represents the single largest investment in affordable housing in our nation’s history. These funds will expand access to affordable, accessible housing; help 294,000 households afford their rent; build, upgrade, and retrofit over 1.8 million affordable housing units; and help close the racial wealth gap through the first-ever national investments in homeownership for first-time, first-generation homebuyers. Additionally, the Build Back Better Act puts the National Flood Insurance Program on stable financial footing and helps close the racial wealth gap by expanding the Minority Business Development Agency and providing grants to our nation’s minority-owned businesses.

Helping America Access and Afford Housing

- **Tenant-Based Rental Assistance:** The bill provides \$24 billion to fund Housing Choice Vouchers and supportive services, \$7.1 billion of which is provided to serve people experiencing or at risk of homelessness or survivors of domestic violence and human trafficking. This is the largest one-time expansion of the Housing Choice Voucher program since its creation in 1974 and is expected help more than 260,000 families over the next eight years.
- **Project-Based Rental Assistance:** The bill provides \$1 billion for the first new project-based rental assistance contracts since 1983, providing 7,000 housing units that will be affordable to extremely low-income renters.

Preserve and Upgrade Our Essential Public and Assisted Housing Stock

- **Public Housing Investments:** The bill includes \$65 billion to repair the nation’s public housing, preserving and improving over 500,000 public housing units, making public housing safer and healthier for millions of residents.
- **Revitalization of Distressed Multifamily Properties:** The bill provides \$1.6 billion to revitalize multifamily properties, improving 21,000 severely distressed assisted housing units.
- **Rural Rental Housing:** The bill provides \$1.8 billion in funding for the USDA Sections 514, 515 and 516 programs, which will preserve, create or repair 27,000 rental homes for farmworkers and rural low-income, disabled, and elderly families. The bill also provides \$100 million for rural rental assistance, helping 27,000 rural renters afford their housing costs.

Increasing and Preserving the Supply of Affordable, Accessible, Energy Efficient, and Climate Resilient Housing

- **Affordable Housing Production:** The bill provides \$25 billion to fund the construction, purchase, or rehabilitation of affordable homes for low-income people. \$10 billion will be invested in HOME to create or preserve 173,000 homes for low-income renters and homeowners, as well as provide assistance to 46,000 prospective and current homeowners to purchase or repair their homes. \$15 billion will be used to construct or preserve 141,000 rental housing units for the lowest-income families.
- **Housing Investment Fund:** The bill provides \$750 million for the Housing Investment Fund, which will be used by our nation's Community Development Financial Institutions (CDFIs) to fund the development of 13,000 rental and homeownership housing units.
- **Supportive Housing for Seniors and People with Disabilities:** The bill provides \$500 million to develop supportive housing for people with disabilities, creating 5,000 rental housing units. The bill also provides \$500 million to develop supportive housing for our nation's seniors, creating 7,000 rental housing units.
- **Investments in Native American Housing:** \$1 billion to Native American, Alaska Native and Native Hawaiian communities to address their most pressing housing and community development needs.
- **Increased Affordable Housing Program:** The bill requires the Federal Home Loan Banks to contribute 15% of their net income to their Affordable Housing Program, which will lead to the creation, rehabilitation or purchase of 98,000 affordable rental or homeownership units.
- **Improving Energy Efficiency or Water Efficiency or Climate Resilience of Affordable Housing:** The bill provides \$2 billion for energy efficient and climate resilient upgrades to federally assisted housing, improving 51,000 homes.

Expanding Opportunity Through Healthy Homes and Equitable Community Development

- **Community Development Block Grant:** \$3.05 billion in CDBG funding for affordable housing and community infrastructure upgrades, creating approximately 88,000 homes for low-income families, including allocations for the Colonias and manufactured housing communities.
- **Addressing Lead-Based Paint Hazards and Other:** The bill provides \$5 billion to address lead-based paint and other health hazards in low-income family housing across the country, making 276,000 housing units safer for families and children.
- **Unlocking Possibilities Program:** The bill provides \$1.75 billion in competitive grants to States, units of general local government, and Indian tribes to incentivize the elimination of exclusionary, restrictive zoning and land uses to advance fair housing and support the creation of affordable housing in every community.
- **Community Restoration and Revitalization Fund:** This bill provides \$3 billion for HUD to establish a competitive grant program to create affordable, accessible housing and economic redevelopment in neighborhoods experiencing underinvestment and cycles of blight and abandonment.

Making Good on Our Nation's Promise of Fair Housing

- **Fair Housing Initiatives Program:** The bill provides \$700 million to strengthen and expand local fair housing oversight and enforcement capacity to ensure housing and community development investments are administered equitably.
- **Fair Housing Assistance Program:** The bill provides \$100 million to bolster intergovernmental enforcement of the Fair Housing Act.

Investments to Expand the American Dream of Homeownership

- **Promoting First-Generation Homeownership:** \$10 billion in first-time, first-generation homebuyer downpayment, closing cost, and interest-rate buydown assistance to help an estimated 273,000 individuals become homeowners and begin building wealth.
- **LIFT Home Loan Program:** The bill includes \$5 billion to provide an estimated 163,000 first-time, first-generation homebuyers with an affordable 20-year FHA or USDA mortgage product so that they can build equity in their homes faster.
- **Investments in Rural Homeownership:** The bill provides \$900 million to assist approximately 18,000 rural homeowners with repairing their homes.
- **HUD-Insured Small Dollar Mortgage Demonstration Program:** The bill provides \$100 million for HUD to carry out a pilot program to expand small-dollar lending options for an estimated 75,000 qualified homebuyers seeking to purchase affordable homes priced at \$100,000 or less.

Improving Federal Agency Oversight, Technical Assistance, and Community Capacity Building

- **Program Administration, Technical Assistance, Capacity Building and Oversight:** The bill provides \$1 billion to assist HUD with program administration, technical assistance, and capacity building, as well as funding for the Office of Inspector General for HUD, Treasury, and USDA.
- **Community-Led Capacity Building:** This bill provides \$100 million in competitive grants to nonprofit entities to provide technical assistance and capacity building to community development corporations, community housing development organizations, community land trusts, and other mission-driven and nonprofit organizations.

Bolstering the Resilience of the National Flood Insurance Program (NFIP)

- **NFIP debt forgiveness:** The bill forgives \$20.5 billion in debt carried by the NFIP. Currently, policyholders' premiums are diverted to the Treasury so that FEMA can service its debt. This provision will free up those funds for mapping, claims payments, and other investments that will strengthen the long-term resilience of the NFIP.
- **Investments in Flood Mapping:** The bill directs \$600 million toward updating and modernizing flood maps, ensuring that the federal government can make infrastructure investments in the underlying package with a strong understanding of where flood risk is increasing, and allowing prospective homeowners to have a full picture of their flood risk.

- **Making Flood Premiums More Affordable:** The bill invests \$600 million for FEMA to create a new affordability program for low-and-median income NFIP policyholders. Policyholders earning up to 120 percent of area median income will be eligible for discounts on their flood insurance policies, which will encourage more participation in the NFIP and help some homeowners deal with projected costs associated with FEMA's new risk rating methodology.

Investing in Minority-Owned Businesses

- **Strengthening the Minority Business Development Agency:** The bill will finally give the agency the tools it needs to effectively serve minority-owned businesses. Notably, the bill directs \$400 million towards capacity building of the agency, through funding for administrative costs, salaries and expenses, establishment of regional offices, data collection, and research development.
- **Helping Minority-Owned Businesses to Startup and Expand:** The bill provides \$1 billion for grants to help minority-owned businesses to open their doors or to expand their operations.
- **Rural Business Centers:** The bill directs \$200 million to establish rural business centers that primarily serve rural minority-owned businesses.