



U.S. HOUSE COMMITTEE ON FINANCIAL SERVICES
– CHAIRWOMAN MAXINE WATERS –
FACT SHEET: THE HOUSING IS INFRASTRUCTURE ACT OF 2021

Bill Summary: The Housing is Infrastructure Act of 2021 would provide a historic investment of over \$600 billion for fair, affordable, and accessible housing infrastructure to address our national eviction and homelessness crises, increase access to homeownership, and support a robust recovery from the pandemic by creating jobs, addressing climate change, and improving housing stability for struggling households.

Need for Legislation: Like roads and bridges, affordable housing is a component of the nation’s infrastructure and a long-term asset that helps communities and families by connecting them to resources and opportunities. Congress must provide the resources necessary to increase the affordable housing supply in order to address the affordable housing crisis that our nation faces. According to the National Low Income Housing Coalition, nationwide there is a shortage of more than 7 million rental housing units that are affordable and available to the lowest income families.¹ In fact, no state in America has an adequate supply of affordable housing for the lowest income renters. Our public housing stock, which houses 1.9 million Americans, is also in dire need of investment to ensure that it can continue to provide safe and decent living conditions for its residents. In fact, there is an estimated public housing capital needs backlog of \$70 billion.²

Neglecting our housing infrastructure not only hurts families and communities, but it is a lost opportunity to create jobs and boost our economy. According to the National Association of Home Builders, building 100 affordable rental homes generates 300 jobs, \$28 million in wages and business income, and \$11 million in taxes and revenue for state, local, and federal governments.³

The Solution: This bill would address our nation’s affordable housing crisis, chronic undersupply of housing, and bolster equitable recovery from the pandemic by providing over \$600 billion in critical investments to support public housing, the creation and preservation of affordable and accessible housing, equitable community development, and expand homeownership opportunities. The bill also includes set-asides for high and persistent poverty communities and to improve energy efficiency and climate resiliency. In addition, the bill includes provisions to improve equitable planning and development processes that affirmatively advance fair housing, including requiring grantees to report on fair housing outcomes. This legislation would make the investments we need in our housing infrastructure and create jobs across the country. As the Administration and House and Senate leadership negotiate an infrastructure package, this legislation offers a blueprint for how a portion of the funding in that package should be dedicated to affordable housing infrastructure.

Stakeholder Support: National Low Income Housing Coalition, National Alliance to End Homelessness, National Fair Housing Alliance, Up for Growth Action, National Women’s Law Center, National Urban League, National Housing Conference, National Education Association, Catholic Charities USA, Habitat for Humanity International, National Alliance on Mental Illness, National Association of Counties, National Community Reinvestment Coalition, PolicyLink, Arc of the United States, Mayors and CEOs for U.S. Housing Investment, UnidosUS, The Leadership Conference on Civil and Human Rights, Housing Assistance Council, National Association of Social Workers, National Partnership for Women and Families, National Housing Law Project, National Association of Housing and Redevelopment Officials, LeadingAge, Local Initiatives Support Corporation, Hispanic Federation, National Association for County Community and Economic Development, Grounded Solutions Network, National Community Development Association, Council of Large Public Housing Authorities, National Network to End Domestic Violence, Enterprise Community Partners, National Housing Trust, Fahe, Consortium for Citizens with Disabilities Housing Task Force, Low Income Investment Fund, Corporation for

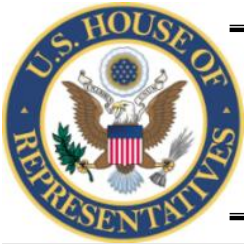
¹ National Low Income Housing Coalition, *The Gap: A Shortage of Affordable Homes*, March 2021.

² Public Housing Authorities Directors Association, *The Advocate*, Spring 2019.

³ National Association of Home Builders, *Housing Fuels the Economy, Housing and the Economy*

Supportive Housing, Church World Services, Coalition on Human Needs, National Association for Latino Community Asset Builders, National Association of Local Housing Finance Agencies, National Housing Resource Center, RESULTS, Public Citizen, Prosperity Now, National Organization for Women, Professional Association of Social Workers in HIV/AIDS, National Housing & Rehabilitation Association, National Domestic Violence Hotline, National Health Care for the Homeless Council, National Coalition for Housing Justice, ROC USA, National Association of Affordable Housing Lenders, National Coalition for a Civil Right to Counsel, Funders Together to End Homelessness, Consumer Action, Collaborative Solutions Inc., Coalition of Labor Union Women AFL-CIO, American Muslim Health Professionals, National Alliance of Community Economic Development Associations, Jewish Women International, HerStory Ensemble, African American Health Alliance, Americans for Financial Reform, Community Solutions, Public Housing Authorities Directors Association, Food Research & Action Center, National Alliance of HUD Tenants, National Center for Housing and Child Welfare, National Coalition for Asian Pacific American Community Development, National Homelessness Law Center, National Council of Jewish Women, Center for Disability Rights, Justice in Aging, National Coalition for the Homeless, National Disability Rights Network, National Council for Independent Living, Treatment Communities of America, Center for Community Progress, Asian Real Estate Association of America, American Association of Service Coordinators, Community Change Action, National Coalition for Latinx with Disabilities, Poverty & Race Research Action Council, National WIC Association, Partnership for the Homeless, Unitarian Universalist for Social Justice, National Innovation Service, National Association of Statewide Independent Living Councils Inc., CommonSpirit Health, ICNA Council for Social Justice, National Consumer Law Center (on behalf of its low-income clients)

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THE HOUSING IS INFRASTRUCTURE ACT OF 2021

Title I—Support for Public Housing

Section 101. Public Housing Capital Fund. This section authorizes \$75 billion to fully address the capital needs backlog of public housing and would repeal the Faircloth Amendment which prohibits the construction of new public housing units.

Title II—Support for the Creation and Preservation of Affordable Housing

Section 201. Housing Trust Fund. This section authorizes \$45 billion for the national Housing Trust Fund to support the creation of new rental homes that would be affordable to the lowest income households. Individuals experiencing or at risk of homelessness shall be given priority for new units created under this section. Not less than 15% of funds must be used for activities related to improving climate resiliency and energy efficiency. This section also includes a 10% set-aside for areas of high and persistent poverty.

Section 202. Home Investment Partnership Program. This section authorizes \$35 billion for the HOME Investment Partnerships Program to fund the construction, purchase, or rehabilitation of affordable homes for low-income people. Not less than 15% of funds must be used for activities related to improving climate resiliency and energy efficiency. This section also includes a 10% set-aside for areas of high and persistent poverty.

Section 203. Supportive Housing for Persons with Disabilities. This section authorizes \$2.5 billion to create affordable, accessible, and integrated housing for people with disabilities through HUD's Section 811 program. Not less than 15% of funds must be used for activities related to improving climate resiliency and energy efficiency. This section also includes a 10% set-aside for areas of high and persistent poverty.

Section 204. Supportive Housing for the Elderly. This section authorizes \$7.5 billion to create affordable housing and provide services that helps older adults age with dignity. Not less than 15% of funds must be used for activities related to improving climate resiliency and energy efficiency. This section also includes a 10% set-aside for areas of high and persistent poverty.

Section 205. Capital Magnet Fund. This section authorizes \$12.5 billion to the Capital Magnet Fund for competitive grants to Community Development Financial Institutions to create or preserve affordable homes. Not less than 15% of funds must be used for activities related to improving climate resiliency and energy efficiency. This section also includes a 10% set-aside for areas of high and persistent poverty.

Section 206. Multifamily Housing Greening and Preservation. This section authorizes \$75 billion to establish a grant program for owners of federally assisted housing or naturally occurring affordable housing for energy efficiency upgrades, health and safety measures, electrification of systems and appliances, installation of renewable energy types and resiliency.

Section 207. Preservation Grants for Properties Receiving Section 8 Project-Based Rental Assistance. This section authorizes \$5 billion to preserve and improve safety conditions in properties receiving Section 8 project-based rental assistance (PBRA). Not less than 15% of funds must be used for activities related to improving climate resiliency and energy efficiency. This section also includes a 10% set-aside for areas of high and persistent poverty.

Section 208. Rental Assistance. This section authorizes \$150 billion for new incremental Housing Choice Vouchers and \$50 billion for new PBRA contracts.

Section 209. Rural Multifamily Preservation and Revitalization Demonstration Program. This section authorizes \$5 billion to fully address the capital needs backlog of the Section 515 and 514 rural housing programs. Under this section, authorized funds may be used to finance the development and construction of new affordable multifamily housing in rural America. Not less than 15% of funds must be used for activities related to improving climate resiliency and energy efficiency.

Section 210. Rural Single-Family Housing Repair Loans and Grants. This section authorizes \$500 million in grant funding through the Department of Agriculture's Section 504 program to help low-income homeowners in rural areas repair, upgrade, and preserve modest, affordable homes, including manufactured homes. This section also includes a 10% set-aside for areas of high and persistent poverty.

Section 211. Native American Housing Block Grants. This section authorizes \$2 billion to create or rehabilitate affordable homes for Native Americans, Alaska Natives, and Native Hawaiians. Of the amounts authorized, \$50 million is set aside for the Native Hawaiian Housing Block Grant program. Not less than 15% of funds must be used for activities related to improving climate resiliency and energy efficiency. This section includes language to ensure Native American Freedmen have access to affordable housing supported by funding provided by this section.

Title III—Community Development and Affordability

Section 301. Community Development Block Grant Funding for Affordable Housing and Infrastructure. This section authorizes \$15 billion for the Community Development Block Grant program (CDBG), including set-asides of \$2 billion and \$250 million to address the housing and community infrastructure needs of colonias and resident-owned manufactured housing communities, respectively.

Section 302. Restoring Communities Left Behind. This section authorizes a total of \$10 billion in competitive grants to eligible local partnerships that are led by nonprofits to conduct neighborhood revitalization activities in eligible localities to help stabilize neighborhoods experiencing cycles of blight and abandonment, help existing community residents preserve the equity in their homes, and offset displacement. This includes \$250 million for the Self-Help Homeownership Opportunity Program. The bill also includes a \$500 million set-aside for communities located outside of Metropolitan Statistical Areas, as designated by the Office of Management and Budget.

Section 303. Grants for Zoning and Land Use Improvements. This section authorizes \$15 billion in competitive grants that are available to States, units of general local government, and Indian tribes on a competitive basis to eliminate exclusionary, restrictive zoning and land uses, and to responsibly streamline development processes that advance fair and support the creation of affordable housing.

Section 304. Lead Hazard Reduction and Healthy Homes Initiative. This section authorizes \$20 billion to address lead paint and other health hazards in our nation's housing stock.

Section 305. Community Revitalization Fund. This section authorizes \$10 billion for a community revitalization fund to support community-led developments.

Section 306. Strengthening Resilience Under National Flood Insurance Program. This section authorizes \$11.9 billion to support the Flood Mitigation Assistance Grant program that is administered by FEMA as part of the National Flood Insurance Program (NFIP). This section also forgives \$20.5 billion in NFIP debt.

Section 307. Cap on National Flood Insurance Program premium increases. This section institutes a cap of 9 percent on the annual rate of NFIP premium increases.

Section 308. Manufacturing Facility. This section authorizes \$10 billion to establish a manufacturing financing facility to support increasing the size, competitiveness, and innovation of the U.S. manufacturing sector.

Title IV—National Investment Authority

Section 401. Short Title. This section establishes the purpose of this title as creating an infrastructure bank called the National Investment Authority (NIA).

Section 402. Definitions. This section outlines the structure of the NIA, which will support and finance investments in public infrastructure, as defined in this section, and will be overseen by a Governing Board committed to developing a National Investment Strategy, also defined in this section.

Section 412. Functions. This section establishes the mission of the NIA to support long-term financing of projects in a geographically balanced set of regions that facilitate job growth, promote environmental justice, reduce greenhouse gas emissions, and increase domestic manufacturing capacity, and directs the NIA's Governing Board to develop a National Investment Strategy that achieves those objectives.

Section 413. Funding. This section authorizes \$27 billion as the initial seed capital to invest in the NIA, mandates backup liquidity support for the NIA from the Federal Reserve and Treasury, and sets limits on the scope and amount of the Federal Reserve and Treasury's backup support.

Section 414. NIA Governing Board. This section establishes the NIA's Governing Board as a nine-member Board with a Chair and Vice Chair, all appointed by the president and confirmed by the Senate, and serving non-renewable, staggered 10-year terms. This section also outlines qualifications for the Governing Board, including the requirement that at least five Board members have experience with and support from labor organizations, non-profit organizations, and community advocacy groups.

Section 415. Project eligibility and inclusion. This section lays out the process by which the NIA Governing Board will develop a selection criteria for NIA portfolio projects, including measuring and analyzing the impact of projects on social and racial equity, climate and environmental metrics, and economic competitiveness.

Section 416. Public accountability. This section outlines measures to ensure accountability and transparency for the NIA, including annual reports and testimony to Congress, annual audits by the GAO, and the establishment of a 7-member Public Interest Council to monitor and oversee the NIA's work.

Section 431. NIA regional offices. Establishment. This section creates a decentralized structure for the NIA, establishing 18 regional offices to coordinate the NIA's work across the states and territories of the United States.

Section 432. Organization and structure. This section clarifies the relationship between the NIA Governing Board and the 18 regional offices established in Section 431.

Section 433. Functions. This section clarifies the purpose of the 18 regional offices, including through regional offices' role in providing input on eligible NIA portfolio projects.

Section 451. Establishment. This section establishes the National Infrastructure Bank (NIB) as part of the NIA.

Section 452. Functions. This section establishes the NIB's powers, including to issue and sell debt obligations of the NIB, and to provide secondary market-making support to municipal issuers that invest in public goods and projects.

Section 453. NIB Governance. This section creates a 9-Member NIB board of directors, appointed by the president and confirmed by the Senate to serve a single, non-renewable, staggered 10-year term.

Section 454. Project Eligibility and Selection. This section allows for the NIB board of directors to carry out their powers to select and support public projects in a manner consistent with the selection criteria enumerated in Section 415 and by the NIA Governing Board.

Title V—Home ownership Investments

Section 501. First-Generation Downpayment Assistance. This section authorizes \$10 billion to provide up to \$25,000 in financial assistance grants to qualified homebuyers, including for downpayment costs, closing costs, and cost to reduce the rates of interest. Qualified homebuyers include first-generation homebuyers and socially and economically disadvantaged homebuyers that meet certain income requirements and are purchasing eligible homes with an eligible mortgage. This section also provides up to 5% of appropriated funds for housing counseling agencies to help qualified homebuyers meet the bill's housing counseling and education requirements.

Section 502. FHA-Insured Small Dollar Mortgage Demonstration Program. This section authorizes \$500 million for HUD to carry out a pilot program at HUD to expand small-dollar lending options to everyday homebuyers seeking to purchase affordable homes priced at \$100,000 or less.

Title VI—Equity and HUD Capacity Building

Section 601. Fair Housing Enforcement. This section authorizes a total of \$5 billion for the Fair Housing Initiatives Program and the Fair Housing Assistance Program to strengthen and expand fair housing oversight and enforcement capacity.

Section 602. Fair and Equitable Housing Development Requirements. This section requires the Secretaries of HUD, Treasury, USDA, as well as the FEMA Administrator to require that grantees submit a certification showing and describing consultation with a local entity that has as its mission to enforce and advance fair housing laws and anti-discrimination principles.

Section 603. Inclusion of Minority and Women's Business Enterprises. This section requires relevant federal agencies to consult and cooperate with grantees and recipients to promote the inclusion of minority and women's business enterprises when utilizing funds provided by the Housing is Infrastructure Act.

Section 604. Reports on Outcomes. This section requires the Secretary of HUD, in coordination with the Secretaries of the Treasury and Agriculture, as well as the Administrator of FEMA, to submit an annual report to the Congress until all funds made available in this Act are expended, which shall provide a summary of housing outcomes for each program for which such funds were made available. This section also allows for up to 0.5% of administrative and planning costs to be utilized for consultations to carry out this section.

Section 605. HUD Salaries and Expenses. This section authorizes \$5 billion for HUD to properly staff and oversee the administration of investments in this Act.