Congress is working to enact a $3.5 trillion infrastructure and economic recovery package, which could include up to $339 billion for housing and transportation investments as part of President Biden’s American Jobs Plan to invest in America, create good-paying jobs, combat the climate crisis, advance racial equity, and build back better.

To achieve these ambitious goals, any comprehensive package must advance bold solutions to help ensure America’s lowest-income and most marginalized households have a stable, affordable home by:

1. Expanding rental assistance by at least $180 billion to effectively end homelessness.

The American Recovery Plan Act should expand rental assistance by $180 billion to effectively end homelessness and make a significant down payment towards universal vouchers for all eligible households. This investment, phased in over 10 years, could help an additional 2.65 million struggling households afford rent. If targeted to serve those households with the greatest needs, this investment could end housing insecurity for households with an income below 15% of the Area Median Income (AMI) and for households receiving Supplemental Security Income (SSI) with incomes below 30% of AMI.

A major cause of today’s housing crisis is the fundamental mismatch between growing housing costs and stagnant incomes for people with the lowest incomes. Including a robust expansion of rental assistance in any infrastructure and economic recovery bill can help rebuild our economy, advance racial equity, and serve as a down payment to achieving the core of President-elect Biden’s housing platform – universal rental assistance for all eligible households.

While President Biden did not include rental assistance in his “American Jobs Plan,” House Financial Services Committee Chair Maxine Waters (D-CA) included $200 billion for rental assistance in the “Housing is Infrastructure Act.”

2. Expanding and preserving the supply of homes affordable to renters with the lowest incomes.

An underlying cause of America’s housing crisis is a market failure that results in the severe shortage of rental homes affordable to people with the lowest incomes. We must address this market failure to end America’s housing crisis.

- Expand the National Housing Trust Fund – at least $45 billion. The Housing Trust Fund is the first new federal housing resource in a generation exclusively targeted to build and preserve rental homes affordable to people with the lowest incomes, those with the greatest and clearest needs. It is the only federal housing production program that directly addresses the market failure that is an underlying
cause of the housing crisis. President Biden included $45 billion for the Housing Trust Fund in his American Jobs Plan proposal and House Financial Services Committee Chair Maxine Waters (D-CA) included $45 billion for the Housing Trust Fund in the “Housing is Infrastructure Act.”

• **Repair Public Housing - at least $70 billion.** Public housing is critical to ensuring people with the greatest needs have a safe, decent, affordable, and accessible place to call home, and the preservation of this community asset must be included in any strategy to address America’s housing crisis. Congress has divested from public housing for decades, resulting in over $70 billion in unmet capital backlog needs. As a result, our nation loses 10,000 to 15,000 units of public housing every year to obsolescence or decay and other units fall into disrepair. President Biden included $40 billion for public housing in his American Jobs Plan, and Chair Waters included the full $70 billion needed to preserve public housing in her “Housing is Infrastructure Act.”

### Impact on America’s Economy and Communities

Affordable and stable housing is linked to nearly every measure of having a quality life. A major investment in housing in the American Recovery Plan would positively impact:

• **Efforts to Build Back Better:** The pandemic has exposed significant gaps in our federal housing safety net. Housing inequities contributed to the spread of COVID-19 cases and deaths, and the lack of universal housing assistance placed tens of millions of renters at risk of losing their homes and with them, the ability to keep themselves and their families safe. We can build back better by closing gaps in our safety net so that our nation is better prepared for the next crisis.

• **Our Economy:** Stable, affordable housing drives stronger student outcomes, prevents long-term health challenges, and promotes healthy, productive lives. A landmark study by Harvard economic Raj Chetty demonstrates the enormous positive impact affordable housing can have on upward economic mobility for low-income children. Affordable housing frees up more family income for other necessities, such as nutritious food, transportation, healthcare, and savings.

• **Climate Change:** The Biden administration’s housing platform recognizes the direct connection between affordable housing and climate change. Significant resources are needed to preserve and expand the supply of affordable homes that are energy-efficient and resilient.

• **Racial Equity:** Decades of systematically racist housing policies have locked Black, Latino, and Native households out of opportunities to build wealth and economic security, creating tremendous racial disparities in housing and homelessness. Universal housing assistance would help ensure that renters of color have access to affordable housing and robust housing choice.

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