

House Financial Services Committee Title of Build Back Better Rules Committee Print, 11-3-2021

Program	Amount	Section	Description
<u>Financial Services Committee Provisions</u>			
Public Housing Investments	\$ 65,000,000,000	40001	This section provides \$65 billion to fully address the capital needs backlog of public housing. Of these funds, \$2.25 billion is provided to make comprehensive investments in public housing and surrounding neighborhoods.
Investments in Affordable and Accessible Housing Production	\$ 25,000,000,000	40002	This section provides \$10 billion for the HOME Investment Partnerships Program to fund the construction, purchase, or rehabilitation of affordable homes for low-income people. This section also provides \$15 billion for activities to support the preservation and creation of new rental homes affordable to the lowest income households.
Housing Vouchers	\$ 24,000,000,000	40009	This section provides \$24 billion to fund incremental Housing Choice Vouchers and supportive services. Of this funding, \$7.2 billion is provided for individuals and families experiencing or at risk of homelessness, and survivors of domestic violence, dating violence, sexual assault, stalking and human trafficking. \$300 million is provided for competitive grants for mobility-related services and \$230 million is provided for landlord incentives to participate in the program.
First-Generation Downpayment Assistance	\$ 10,000,000,000	40201	This section provides \$10 billion to provide first-time, first-generation homebuyers with the greater of \$20,000 or 10% of the purchase price of an eligible home in financial assistance, including for downpayment costs, closing costs, and costs to reduce the rates of interest. Of this amount, \$500 million is provided for housing counseling agencies.
Lead-Based Paint Hazard Control and Housing-Related Health and Safety Hazard Mitigation in Housing of Families with Lower Incomes	\$ 5,000,000,000	40102	This section provides \$5 billion to address lead paint and other health hazards in the housing stock of the United States.
Home Loan Program	\$ 5,000,000,000	40202	This section provides \$5 billion to subsidize 20-year mortgages for first-generation homebuyers.
Community Development Block Grant Funding for Affordable Housing and Infrastructure	\$ 3,050,000,000	40101	This section provides \$3 billion for the Community Development Block Grant program (CDBG). This section includes \$700 million and \$500 million to address the housing and community
Community Restoration and Revitalization Fund	\$ 3,000,000,000	40105	This section provides a total of \$3 billion in competitive grants to eligible local partnerships that are led by nonprofits to conduct affordable, accessible housing activities and neighborhood revitalization activities in rural, suburban and urban localities, including in neighborhoods experiencing cycles of blight and abandonment. Of the amounts provided, \$500 million is for Community Land Trusts and Shared Equity Homeownership Programs.
Improving Energy Efficiency or Water Efficiency or Climate Resilience of Affordable Housing	\$ 2,000,000,000	40006	This section provides \$2 billion to establish a grant program for owners of federally assisted housing affordable housing to make energy efficiency upgrades, including electrification of
Investments in Rural Rental Housing	\$ 2,000,000,000	40008	This section provides \$2 billion to carry out new construction, make improvements to energy and water efficiency or climate resilience, to remove health and safety hazards, and to preserve housing under the Section 515 Rural Rental Housing and Section 514/516 Farm Labor Housing programs. This section also provides additional rental assistance to eligible households.
Unlocking Possibilities Program	\$ 1,750,000,000	40103	This section provides \$1.75 billion in grants to States, local governments and local entities, and Native American tribes on a competitive basis improve and implement housing plans and strategies.
Revitalization of Distressed Multifamily Properties	\$ 1,600,000,000	40007	This section provides \$1.5 billion to preserve, and improve safety conditions in, properties receiving Section 8 project-based rental assistance (PBRA).
Minority Business Development Agency	\$ 1,600,000,000	40401	This section provides \$1.6 billion to the Minority Business Development Agency, of which \$1 billion is provided to support the business centers program, minority business enterprises, entrepreneurship education and nonprofits that support minority business enterprises; \$400 million to establish regional offices, perform research and evaluation and enhance administrative
Strengthening Resilience Under National Flood Insurance Program	\$ 1,200,000,000	40104	This section forgives \$20.5 billion in National Flood Insurance Program (NFIP) debt, directs \$600 million to support flood mapping, and provides \$600 million for FEMA to set up a meanstested assistance to NFIP policyholders with household incomes up to 120 percent of area median income.
Project-Based Rental Assistance	\$ 1,000,000,000	40010	This section provides \$1 billion to the Project Based Rental Assistance (PBRA) program, which provides rental assistance to eligible households, but unlike Housing Choice Vouchers, the assistance is fixed to a property rather than tied to the household. PBRA is instrumental in developing permanent supportive housing for people experiencing homelessness.
Investments in Native American Communities	\$ 1,000,000,000	40011	This section provides \$1 billion to Native American, Alaska Native, and Native Hawaiian communities to address their most pressing housing and community development needs.

Program Administration, Training, Technical Assistance, Capacity-Building, and Oversight	\$ 1,000,000,000	40301 This section provides \$1 billion for HUD to staff and oversee the administration of investments in this Act and provide technical assistance. This section also provides funding for the HUD Inspector General, the USDA Inspector General, and the Treasury Inspector General.
Housing Investment Fund	\$ 750,000,000	40003 This section provides \$250 million to a new fund called the Housing Investment Fund within the Community Development Financial Institutions (CDFI) Fund to provide competitive grants to CDFIs and non-profit developers.
Fair Housing Activities and Investigations	\$ 700,000,000	40106 This section provides \$700 million for the Fair Housing Initiatives Program, which supports local enforcement of fair housing laws.
Section 811 Supportive Housing for People with Disabilities	\$ 500,000,000	40004 This section provides \$500 million for HUD's Section 811 program which provides projectbased rental assistance to very low- and extremely low-income persons with disabilities to live independently in integrated housing settings with community-based support and services.
Section 202 Supportive Housing for the Elderly	\$ 500,000,000	40005 This section provides \$500 million for the 202 Supportive Housing for the Elderly program, which expands the supply of affordable housing with supportive services for the elderly through capital
Enhanced use of the Defense Production Act of 1950	\$ 500,000,000	40402 This section provides \$500 million through the Defense Production Act of 1950 (DPA) to support the domestic industrial base, including strengthening the resiliency of supply chains in critical industries, and promote economic competitiveness in the United States.
Increased Affordable Housing Program Investment	\$ 100,000,000	40012 This section requires the Federal Home Loan Banks (FHLBs) to increase their affordable housing investments to 15% of net income—to be no less than \$100,000,000 in aggregate total contribution among FHLBs.
Intergovernmental Fair Housing Activities	\$ 100,000,000	40107 This section provides \$100 million for the Fair Housing Assistance Program, which supports intergovernmental enforcement of fair housing laws.
Small Dollar FHA mortgage demo	\$ 100,000,000	40203 This section provides \$100 million for HUD to carry out a pilot program to expand small-dollar mortgage options to homebuyers seeking to purchase affordable homes priced at \$100,000 or less.
Investments in Rural Homeownership	\$ 100,000,000	40204 This section provides \$100 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 affordable homes, including manufactured homes.
Community Led Capacity Building	\$ 100,000,000	40302 This section 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.
Supporting Factory-Built Housing through SSBCI	\$ 25,000,000	40403 This section provides \$25 million through the State Small Business Credit Initiative (SSBCI) administered by the U.S. Department of the Treasury to provide legal, accounting and financial assistance, to existing and prospective business enterprises within the factory-built housing sector applying for SSBCI loans and investments.
	\$ 156,675,000,000	
		<u>Ways and Means Provisions</u>
Neighborhood Homes Investment Act	\$ 5,000,000,000	135201 Create tax credit to close appraisal gap for properties in qualifying census tracts. This provision establishes a new federal tax credit to encourage the rehabilitation of deteriorated homes in distressed neighborhoods. States would receive Neighborhood Homes Investment Act (NHIA) tax credit authority and administer and allocate credits on a competitive basis. NHIA tax credits would be used to cover the gap between development costs and sales prices, up to 35 percent of eligible development costs. Rehabilitated homes must be owner-occupied for investors to receive the credits. Homeowners must be below certain income limitations, sales prices are capped, and qualifying neighborhoods must have elevated poverty rates, lower incomes, and modest home values. Special rules apply to rehabilitations that occur when homes are already owner-occupied prior to and during such rehabilitation. This provision applies to taxable years beginning after December 31, 2021 and tax credits are provided to states through calendar year 2025. In general, the tax credit ceiling for a State for each calendar year is the product of \$3 (\$6 in the case of calendar year 2025) multiplied by the state population, or \$4 million (\$8 million in the case of calendar year 2025), whichever is greater. \$5 billion over four years.
Low Income Housing Tax Credit (LIHTC) allocation		135101 A temporary Housing Credit allocation increase of 10 percent plus inflation for each of the three years from 2022 to 2024 over current baseline (which includes the 12.5 percent increase in effect for the past four years), with a reversion in 2025 to a lower baseline that doesn't include the 12.5 percent. The allocation increases amount to a roughly 41 percent increase over current levels by 2024.

Bond financing threshold	135102 This provision temporarily reduces the 50% requirement to 25%, to enable housing credit deals to unlock more 4% credits. The provision is effective for buildings financed by the proceeds of certain tax-exempt bonds issued in calendar years 2022 through 2026.
Buildings designated to serve extremely low-income households	135103 The provision provides a 50% basis boost for LIHTC buildings that designate at least 20% of their occupied units for extremely low-income tenants and limit rent to no more than 30% of the greater of: 30% of area median income or the federal poverty line. In order to utilize this provision, buildings may not use the average income test to qualify as a qualified low-income housing project. 8% of a state's housing credit allocation must go to buildings designated to serve extremely low-income households. These buildings may be eligible to receive a 50 percent basis boost, subject to certain limitations. For purposes of the 9% credit, a housing credit agency may not allocate more than 13 percent of the portion of the state's housing credit ceiling amount to such buildings. Furthermore, for purposes of the 4% credit, a state may not issue more than 8% of its private activity bond volume cap to such buildings. The provision is effective for allocations of housing credit dollar amount after December 31, 2021 obligations of 4% credit that are part of an issue after December 31, 2021.
Qualified Contracts	135104 Eliminates the qualified contract qualified contract exception for buildings receiving allocations after January 1, 2022. Specifically, the provision limits the use of the exception to (1) buildings that received housing credit allocations before January 1, 2022, or (2) with respect to buildings financed with tax-exempt bonds, buildings that received before January 1, 2022 a determination from the issuer of the tax-exempt bonds or the housing credit agency that the building has satisfied the QAP requirements and the financial feasibility determination.
Right of First Refusal	135105 The nonprofit right of first refusal (ROFR) would be converted to a purchase option for properties started after the bill is enacted. For prior properties, the ROFR changes would provide that: (1) a bona fide third party would not have to make the purchase offer, which could come from the sponsor or a related party; (3) investment partners would not have to approve the exercise of the ROFR; (4) partnership assets (e.g., reserves) would be included in the price; but (5) these changes would not override express contract provisions to the contrary.