As part of the American Rescue Plan, House Democrats have proposed $40 billion in housing aid. AAF’s Director of Financial Services Policy Thomas Wade outlines the most notable provisions and considers how they will impact housing policy.

An excerpt:

At a total cost of $40 billion, the aid directed toward housing represents a small fraction of the total $1.9 trillion relief plan, especially as compared to the $200 billion the HEROES Act would have directed to support renters and mortgage holders. Further, due to the necessity that budget reconciliation recommendations have budget implications, House Democrats could not directly include measures to extend evictions moratoriums or protect classes of homeowner as provided, for example, in the CARES Act. While further assistance to stricken homeowners, renters, and the homeless is valuable in the wake of the challenges posed by COVID-19, it is not clear that these proposals would address the perceived financial need, protect entire classes, or indeed be easy or fast for local governments (with or without Treasury) to operationalize.

Read the analysis.