

The Housing Crisis Response Act of 2023 (H.R. 4233)

The nation is facing one of the worst fair and affordable housing and homelessness crisis in its history, with more families and individuals struggling to make ends meet as housing inflation continues to rise. A massive housing shortage has made it difficult to obtain affordable housing and for those who are, rising housing costs result in individuals spending more of their income to be able to afford their homes. In 2022 [a record number \(22.4 million\) of renter households were “cost-burdened,”](#) spending more than 30 percent of their income on rent and utilities, while the income required to afford rent rose by 41 percent. Black and Latino renters were more likely than White renters to be cost-burdened, with 57 percent of Black renters and 54 percent of Latino renters cost-burdened, while about 45 percent of White renters were cost-burdened. Similarly, [the number of homeowners who are cost-burdened grew to 19.7 million,](#) an increase of 3 million households between 2019 and 2022, with Black (30.3 percent) and Latino (25.8 percent) homeowners more likely to be cost burdened than White homeowners (21.3 percent).

Additionally, the affordable housing crisis has resulted in an increase in homelessness, with the [number of people experiencing homelessness increasing by 12 percent between 2022 and 2023.](#) According to a Point-in-Time (PIT) count conducted in 2023, [roughly 653,100 people in the United States were experiencing homelessness,](#) representing the highest reported number since reporting began in 2007.

Homeownership remains the primary way that most families build wealth and achieve economic stability. Unfortunately, rising housing costs can put the dream of homeownership out of reach for families and the upfront costs of homeownership can pose a significant barrier, particularly for communities of color. [The Black-White and Latino-White homeownership gaps remain wide and persistent](#) due to a history of government-sponsored discriminatory housing policies.

The Housing Crisis Response Act of 2023 seeks to address the nation’s fair and affordable housing crisis and the chronic undersupply of housing by supporting and investing in public housing, creating and preserving affordable and accessible housing, expanding homeownership opportunities and promoting equitable community development. It would:

- Provide more than \$150 billion in fair and affordable housing investments;
- help create nearly 1.4 million affordable and accessible homes;
- assist 294,000 households afford rental housing; and
- address the racial wealth gap through investments in homeownership for first-time, first-generation homebuyers, who are disproportionately families of color.

If passed, the Housing Crisis Response Act would represent the single largest investment in affordable housing in the nation’s history.

Take a Closer Look

Investments in Public Housing

- \$65 billion to repair the nation’s public housing, preserving and improving over 500,000 public housing units.
- \$1.6 billion to revitalize multifamily properties, improving 21,000 severely distressed assisted housing units.

Affordable and Accessible Housing

- \$24 billion to fund Housing Choice Vouchers and supportive services, \$7.1 billion of which is for people experiencing or at risk of homelessness or survivors of domestic violence and human trafficking; expected to help more than 260,000 families over the next 8 years.
- \$1 billion for the first new project-based rental assistance contracts since 1983, providing 7,000 units that will be affordable to extremely low-income renters.
- \$2 billion in funding for the USDA Sections 514, 515, 516 programs, which will preserve, create or repair 27,000 rental homes for farmworkers and rural low-income, disabled, and elderly families.
- \$500 million to develop supportive housing for people with disabilities, creating 5,000 rental housing units. Also provides \$500 million to develop supportive housing for seniors, creating 7,000 rental housing units.
- \$700 million to strengthen and expand local fair housing oversight and enforcement capacity to ensure housing and community development investments are administered equitably.
- \$100 million to bolster intergovernmental enforcement of the Fair Housing Act.

Equitable Home Ownership

- \$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.
- \$5 billion to provide an estimated 163,000 first-time, first-generation homebuyers with an affordable 20-year FHA or USDA mortgage product.
- \$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.

Equitable Community Development

- \$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.
- \$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.
- \$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.
- \$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.
- \$1 billion to Native American, Alaska Native, and Native Hawaiian communities to address their most pressing housing and community development needs.

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