



Making the Most of the American Rescue Plan: A Guide to the Funding That Impacts People Experiencing Homelessness

The United States Interagency Council on Homelessness (USICH)

USICH is the only federal agency with the sole mission to prevent and end homelessness. We coordinate the federal response to homelessness with the 19 agencies that make up our council, and we help state and local governments and the private sector create partnerships; use resources in the most efficient and effective ways; and implement evidence-based best practices.

The American Rescue Plan (ARP)

President Biden signed the American Rescue Plan Act on March 11, 2021, in response to the economic crisis catalyzed by the COVID-19 pandemic. The relief legislation offers more than \$1.9 trillion in help for individuals, families, and businesses. It includes \$21.6 billion in emergency rental assistance for households struggling to pay rent and utilities. Many of the law’s provisions can be used to help people who are currently or at risk of experiencing homelessness. These resources provide communities with a once-in-a-generation opportunity to innovate and improve existing systems and should target the most vulnerable people, including those living with disabilities and those living unsheltered.

This guide provides a snapshot of key provisions in the American Rescue Plan that are applicable to the work of USICH and beneficial to the communities we serve. Click each area of assistance below to jump to that section.

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HOUSING

Federal Funding From the Department of Housing and Urban Development (HUD)

HOME Investment Partnerships Program

HOME-ARP provides \$5 billion until 2030 to assist individuals or households who are homeless or at risk of homelessness through housing, rental assistance, supportive services, and non-congregate shelter (NCS). HOME-ARP funds can be used for tenant-based rental assistance (TBRA), production or preservation of affordable housing, supportive services, homeless prevention services, housing counseling, and the acquisition and development of NCS that can either remain as non-congregate emergency shelter or be converted to either permanent affordable housing under the HOME Program or permanent supportive housing under the Continuum of Care.

Emergency Housing Voucher (EHV) Program

Provides \$5 billion to fund approximately 70,000 [emergency housing vouchers](#), and the provision of services, in 626 communities to assist individuals and families who are experiencing or at risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; or recently homeless and in need of rental assistance to prevent homelessness or housing instability. Public Housing Authorities (PHAs) are required to partner with the local Continuum of Care (CoC) or other homeless or victim services providers to assist qualifying families through a direct referral process.

Emergency Rental Assistance (ERA)

Provides \$21.6 billion, to be administered by the Treasury Department, to eligible households for up to 18 months. The ERA2 funding is available for future rent and rental arrears, future utilities and delinquent payments, or other expenses related to housing. Assistance is paid directly to the landlord or utility company unless the landlord refuses to accept the funds, in which case the assistance can be paid to the renter. Landlords and owners may apply on behalf of tenants as long as the tenant cosigns the application, the landlord provides documentation to the tenant, and the payments are used to satisfy the tenant's rental obligation to the owner.

The [Emergency Rental Assistance 1](#) (ERA1) provides up to \$25 billion under the Consolidated Appropriations Act, 2021, which was enacted on December 27, 2020. For ERA1, 90% of the funds must be used for direct financial assistance. Remaining funds are available for housing stability services, including case management. ERA1 funds generally expire on September 30, 2022.

Neighborhood Reinvestment Corporation (NeighborWorks America)

Provides \$100 million until February 28, 2023 for entities approved by HUD, state housing finance agencies, and NeighborWorks Organizations to deliver housing counseling services directly to households facing housing instability, such as eviction, default, foreclosure, or loss of income that caused or could cause eviction, default, foreclosure or homelessness.

Funds for Fair Housing Activities

Provides \$20 million for the Fair Housing Initiatives Program to investigate fair housing complaints, strengthen enforcement, and assist those who believe they have been victims of housing discrimination. Eligible entities include state and local governments, nonprofit organizations, and Fair Housing Assistance Program agencies.

Federal Funding From the Department of Agriculture (USDA)

Direct Loan Programs

Provides \$39 million until September 30, 2023, for relief for Section 502 and 504 Program borrowers, otherwise respectively known as Single-Family Housing Loan Program and Single-Family Housing Repairs Loans and Grants.

Emergency Assistance for Rural Housing

Provides \$100 million until September 30, 2022, for payments to owners of USDA-financed rural rental housing or Farm Labor Housing projects on behalf of low-income tenants who can't pay their full rent. CoCs that serve rural areas should ensure their clients are aware of these resources and should reach out to owners directly to educate them on the availability of funds.

ECONOMIC IMPACT PAYMENTS and ADVANCE CHILD TAX CREDIT

Federal Funding From the Department of Treasury

Economic Impact Payments (EIPs)

Provides up to \$1,400 to individuals, \$2,800 for married couples, and \$1,400 per qualifying dependent in a third round of one-time direct payments, also called "[Economic Impact Payments](#)" or "Recovery Rebates." Payments are sent by direct deposit or mailed as a check. As of May 2021, [debit cards](#) are no longer mailed for the third EIP. [Click here](#) to check the status of a payment. [Click here](#) for more information on direct payments.

This builds on two previous EIPs provided by the CARES Act and Consolidated Appropriations Act of 2021.

Altogether, between the three payments, an individual could receive up to \$3,200 and a married couple could receive up to \$6,400, with up to \$2,500 in additional payments for each dependent.

There's still time to recoup missed EIPs, and CoCs, providers, and community members can help by helping people experiencing homelessness file a 2020 tax return using [IRS FreeFile](#). [Watch this webinar to learn how](#). As long as an individual doesn't owe taxes, they have up to three years from the tax deadline (May 17, 2021) to file without penalty. Filing a 2020 tax return is the ONLY way to recoup missed EIPs.

Advance Child Tax Credit

Provides up to \$3,600 for children under age 6 and \$3,000 for children between ages 6 and 17. Periodic advance payments will be made between July 1 and December 31, 2021. Because of this change, families don't have to wait until the next tax season to claim the credit. The Child Tax Credit is extended to families in Puerto Rico and other U.S. territories. Unlike the Recovery Rebate Credit, households that don't normally file taxes can use the [non-filer tool](#) to receive the Advance Child Tax Credit. CoCs, providers, and community members can help people who have dependents and are experiencing homelessness use the [non-filer tool](#).

EDUCATION

Federal Funding From the Department of Education

Elementary and Secondary School Emergency Relief (ESSER) Fund

Provides \$122 billion until September 30, 2024, for state and local education agencies that can be used to address student needs resulting from and exacerbated by the pandemic. Additionally, \$800 million can be used to identify children and youth experiencing homelessness, to provide them with wraparound services, and to administer the assistance needed to enable them to attend school and fully participate in school activities. The Education Department released these ARP-Homeless Children and Youth funds in two separate disbursements (ARP Homeless I and ARP Homeless II). ARP Homeless I funds have already been disbursed, and ARP Homeless II funds were made available to state education agencies (SEAs) on July 28, 2021. The final requirements were announced on July 6, and SEAs are expected to allocate funds to local education agencies (LEAs) on a formula basis by the start of the school year. The Education Department encourages states and LEAs to use ARP Homeless I funds to identify and connect students experiencing homelessness to summer learning and enrichment programs, and to engage students and their families in preparation for this fall.

LEAs (school districts) may use these funds for any of the uses permitted by the McKinney-Vento Act ([see 42 U.S.C. 11433\(d\)](#)). In addition, funds may be used for “any expenses necessary to facilitate the identification, enrollment, retention, and educational success of homeless children and youth,” such as:

- Providing wraparound services (which could be provided in collaboration with and/or through contracts with community-based organizations, and could include academic supports, trauma-informed care, social-emotional support, and mental health services);
- Purchasing needed supplies (e.g., PPE, eyeglasses, school supplies, personal care items);
- Providing store cards/prepaid debit cards to purchase needed school materials;
- Providing transportation;
- Purchasing cell phones or other technological devices for unaccompanied youth;
- Providing access to reliable, high-speed internet for students through the purchase of internet-connected devices/equipment, mobile hotspots, wireless service plans, or installation of Community Wi-Fi Hotspots (e.g., at homeless shelters), especially in underserved communities; and
- Paying for short-term, temporary housing (e.g., a few days in a motel) when such emergency housing is the only reasonable option for COVID-safe temporary housing and when necessary to enable the homeless child or youth to attend school and participate fully in school activities (including summer school).

Higher Education Emergency Relief Fund

Provides \$39.6 billion until September 30, 2023. The funding can be used to monitor and suppress the coronavirus pandemic and to provide emergency financial aid grants to students.

Child Care and Development Fund (CCDF) Program, Child Care Stabilization Grants, Head Start: Administered by the HHS Administration for Children and Families (ACF)

Provides \$15 billion in [supplemental funding for CCDF](#) that will be awarded by September 30, 2021, and available to states, territories, and tribes until September 30, 2023. CCDF allows states to expand access to child care for low-income families and improve the quality of child care. There's also \$24 billion for [Child Care Stabilization Grants](#) that will be disbursed by September 30, 2021, and available until September 30, 2023. Child Care Stabilization Grants allow states to offer sub-grants to child care providers for personnel costs, rent, PPE, equipment and supply upgrades due to COVID-19, and much more. Additionally, there's \$1 billion for Head Start available through September 30, 2022. Head Start and early Head Start promote school readiness and family wellbeing for infants, toddlers, preschool-aged children, and their families.

FOOD INSECURITY

Federal Funding From the Department of Agriculture

Supplemental Nutrition Assistance Program (SNAP)

Provides \$1.15 billion for states to administer SNAP until September 30, 2023. There's a 15% increase in monthly SNAP benefits through September 2021. The Consolidated Appropriations Act of 2021 also extended SNAP to college students who are eligible for a federal or state work-study program, or who have an Expected Family Contribution (EFC) of 0 in the current academic year, and who meet all other [SNAP eligibility criteria](#). Contact your local SNAP office [here](#).

Pandemic-EBT (P-EBT)

Provides more than \$5 billion to allow this child nutrition program to provide benefits during the summer, through the remainder of the public health emergency, and as long as children are missing out on school meals because of the pandemic. Under P-EBT, families approved for free or reduced-price school meals receive the value of these missed breakfasts and lunches through a state-issued, SNAP-like benefit card. Some states are still in the process of submitting their plans for Summer 2021. To see if your state has been approved, [click this link](#).

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

Provides up to \$880 million for WIC, including a temporary increase in fruit and vegetable vouchers to \$35 per month and an historic investment in innovation and outreach to better serve more than 6.2 million people that use WIC to support a healthy start for infants and young children. Contact your local WIC office [here](#).

Commodity Supplemental Food Program (CSFP)

Provides \$37 million for this program, which provides USDA-purchased food packages to certain low-income elderly individuals and operates in parts of all 50 states, the District of Columbia, Puerto Rico, and five Indian tribal organizations. Find your local CSFP contacts [here](#).

Meals and Snacks for Young Adults in Homeless Shelters

Temporarily allows young adults ages 18 through 24 who are experiencing homelessness to receive meals and snacks at shelters through the Child and Adult Care Food Program (CACFP). This provision will remain in effect for the duration of the public health emergency.

HEALTH CARE

Federal Funding From the Department of Health and Human Services (HHS)

Medicaid and the Children's Health Insurance Program (CHIP): Administered by the Centers for Medicare & Medicaid Services (CMS)

Requires Medicaid and CHIP to fully cover coronavirus vaccines and administration, as well as testing and treatment, for program enrollees through one year after the end of the public health emergency. For vaccine and vaccine administration expenditures, the American Rescue Plan sets the Federal Medical Assistance Percentage (FMAP) for states at 100%. The ARP also incentivizes states to adopt Medicaid expansion (if they have not already done so) by temporarily increasing their base program by 5 percentage points. The American Rescue Plan increases the FMAP for Medicaid programs by 10 percentage points (not to exceed 95%) for expenditures for home and community-based services provided from April 1, 2021, to March 31, 2022. The ARP also allows states to provide medical assistance for qualifying community-based mobile crisis intervention services.

Community Mental Health Services Block Grant Program: Administered by the Substance Abuse and Mental Health Services Administration (SAMHSA)

Provides \$1.5 billion that must be expended by September 30, 2025, for comprehensive community mental health services for adults with a serious mental illness and for children with a serious emotional disturbance.

Substance Abuse Prevention and Treatment Block Grant Program: Administered by the Substance Abuse and Mental Health Services Administration (SAMHSA)

Provides \$1.5 billion until September 30, 2025, for [substance use disorder \(SUD\) prevention, intervention, treatment, and recovery support services](#). These services should be prioritized for underserved populations, such as people experiencing homelessness; people involved in the justice or child welfare system; Black, Indigenous, and People of Color (BIPOC); LGBTQ individuals; and people living in rural areas.

Expansion of the Certified Community Behavioral Health Clinics (CCBHC): Administered by the Substance Abuse and Mental Health Services Administration (SAMHSA)

Provides \$420 million for the expansion of the CCBHC program through SAMHSA's CCBHC expansion grant program. Funding will increase access to and improve the quality of community mental and substance use disorder treatment services. CCBHCs provide person- and family-centered integrated services, including 24/7 crisis intervention for people with serious mental illness or substance use disorders.

Provider Relief Fund (PRF) – Health Care Provider Grant Program

Provides \$8.5 billion in grants for rural health providers. More information about how HHS is distributing this funding is available on the [HHS website](#).

A separate program, the [HRSA COVID-19 Coverage Assistance Fund](#), is available to reimburse providers for COVID-19 vaccine administration to underinsured individuals whose health plan either does not include COVID-19 vaccination as a covered benefit or covers COVID-19 vaccine administration but with cost-sharing. The Uninsured Program allows anyone without health insurance, no matter their immigration status, to receive their COVID-19 vaccines for free by reimbursing providers for the cost of administering the vaccine. The program also covers COVID-19 testing and treatment claims for individuals without health insurance.

Community Health Centers: Administered by the Health Resources and Services Administration

Provides \$7.6 billion for community health centers to support and expand COVID-19 vaccination, testing, and treatment for vulnerable populations; deliver needed preventive and primary health care services to those at higher risk for COVID-19; and expand health centers' operational capacity during the pandemic and beyond in part by modifying and improving physical infrastructure and adding mobile units. This [investment](#) will help increase access to vaccinations among hard-hit populations, as well as confidence in the vaccine by empowering local, trusted health professionals in their efforts to expand vaccinations. Funding is available until expended. Of this amount, \$20 million will be awarded to [Papa Ola Lokahi and the Native Hawaiian Health Care Systems](#).¹

HHS-supported community health centers can establish or further expand existing partnerships with local HUD grantees and program participants (including single- and multi-family housing owners and managers, public housing authorities, Continuums of Care, and homeless providers) to expand access to COVID testing, treatment, and vaccination for people experiencing homelessness. On May 5, 2021, HUD Secretary Marcia Fudge and HHS Secretary Xavier Becerra issued a [joint statement](#) encouraging these partnerships at the local level. The secretaries encouraged community partners to:

- Conduct targeted outreach regarding vaccine efficacy and safety;
- Assist with registering and scheduling COVID-19 tests and vaccine appointments;
- Facilitate on-site vaccine clinics at HUD-assisted or insured properties, public housing developments, homeless shelters, and through mobile facilities serving people experiencing unsheltered homelessness;
- Use state assistive technology accessibility kits to provide accessible testing and vaccination sites;
- Assist with transportation to vaccine sites, including for people who have limited mobility;
- Support self, mobile, drive-up, and/or walk-up testing that addresses the unique and evolving access barriers experienced by disproportionately affected populations;
- Provide information regarding access to comprehensive primary health care services; and
- Ensure that communications are provided in plain language and in formats that are accessible to people with disabilities.

STATE AND LOCAL RECOVERY

Federal Funding From the Department of Treasury

Coronavirus State and Local Fiscal Recovery Fund

Provides \$350 billion through December 31, 2024. This funding² includes:

- \$195 billion for states (a minimum of \$500 million for each state);
- \$130 billion for local governments (a minimum of \$1.25 billion per state is provided by the statute inclusive of the amounts allocated to local governments within the state);
- \$20 billion for tribal governments; and
- \$4.5 billion for territories.

¹ <https://www.schatz.senate.gov/coronavirus/health/providers-financial>

² <https://home.treasury.gov/news/featured-stories/fact-sheet-the-american-rescue-plan-will-deliver-immediate-economic-relief-to-families>

The funding can be used to:

- Provide direct assistance to households, which includes food assistance; rent, mortgage, or utility assistance; counseling and legal aid to prevent eviction or homelessness; cash assistance; emergency assistance for burials, home repairs, weatherization, or other needs; internet access or digital literacy assistance; or job training to address negative economic or public health impacts experienced due to a worker's occupation or level of training;
- Respond to the COVID-19 public health emergency, or its negative economic impacts. This could mean providing assistance to households, small businesses, and nonprofits; or aiding impacted industries, such as tourism, travel, and hospitality;
- Build and preserve affordable housing for the lowest-income renters;
- Provide premium pay to essential workers, which includes social and human services staff, public health and safety staff, child care workers, and staff at nursing homes, hospitals, and home care settings;
- Provide "back-to-work incentives" like job training, child care assistance, and transportation assistance, as well as incentives for newly employed workers;
- Make necessary investments in water, sewer, or broadband infrastructure; or
- Provide government services, to the extent that coronavirus caused a reduction of revenues collected in the most recent full fiscal year of the state, territorial, or tribal government.

***The ARP funding cannot be used to offset a reduction in taxes or as deposits in any pension fund.*

TRIBAL NATIONS

Federal Funding From the Department of Housing and Urban Development (HUD)

Indian Housing Block Grant Program and Native Hawaiian Housing Block Grant Program

Provides \$455 million through September 30, 2025, to prevent, prepare for, and respond to coronavirus. This could include maintenance of normal operations and funding of eligible affordable housing activities under Native American Housing Assistance and Self-Determination Act during the period that the program is impacted by coronavirus.

Indian Community Development Block Grant Program

Provides \$280 million through September 30, 2025, for emergencies that constitute imminent threats to health and safety and that are designed to prevent, prepare for, and respond to coronavirus. The funds for this program can be used for the following:

- **Housing** - Housing rehabilitation, land acquisition to support new housing construction, and under limited circumstances, new housing construction
- **Community Facilities** - Infrastructure construction (e.g., roads, water, and sewer facilities; single or multipurpose community buildings)
- **Economic Development** - Wide variety of commercial, industrial, agricultural projects which may be recipient-owned and operated or owned and/or operated by a third party

Federal Funding From the Department of Interior

Bureau of Indian Affairs (BIA)

Provides \$900 million until funding is expended. From this funding, \$100 million is available for tribal housing improvement; \$772.5 million for tribal government services, public safety and justice, social services, child welfare assistance, and other related expenses; \$7.5 million for related federal administrative costs and oversight; and \$20 million for potable water. Additionally, \$850 million will go to the Bureau of Indian Education (BIE) for BIE-operated schools, tribally controlled schools, and tribal colleges and universities to support education delivery.³

UNEMPLOYMENT

Federal Funding From the Department of the Treasury

Extension of CARES Act Unemployment Provisions

Extends pandemic unemployment benefits (\$300 per week in supplemental funding) to September 6, 2021, and increases the total time a recipient can receive unemployment benefits to 79 weeks. For those with modified adjusted gross incomes (AGIs) less than \$150,000 in 2020, the first \$10,200 of unemployment insurance benefits will not be taxed.

VETERANS

Federal Funding From the Department of Veterans Affairs (VA)

COVID-19 Veteran Rapid Retraining Assistance Program

Provides \$386 million until expended for up to 17,250 veterans. Funding should be used to create a rapid retraining program for veterans who are unemployed because of the pandemic and who have not received VA educational assistance or unemployment payments. Homelessness services systems and providers should ensure that all eligible veterans are aware of and referred to the veteran Rapid Retraining Assistance Program. To be eligible for the program, a veteran must be:

- At least 22 years old, but not older than 66, and
- Unemployed because of the COVID-19 pandemic, and
- Not rated as totally disabled because you can't work, and
- Not enrolled in a federal or state jobs program.

Medical Care and Health Care Needs

Provides \$14.5 billion until September 30, 2023. This funding can be used to ensure access and resources for enrolled veterans who may have delayed care or complex health care needs due to the pandemic, for veterans currently received housing support, and for veterans experiencing homelessness.

³ <https://www.bia.gov/service/american-rescue-plan-act/what-arp>

State Veterans Homes

Provides \$500 million (in addition to the \$100 million provided by the COVID relief law) for State Veterans Homes based on the number of veterans currently residing at an assisted living facility. This funding can be used to help State Veterans Homes combat the spread of COVID-19 with PPE and cleaning.

OTHER

Federal Funding From the Department of Health and Human Services (HHS)

Pandemic Emergency Assistance Fund for States, Tribes, and Territories Administering a TANF Program

Established a new \$1 billion Pandemic Emergency Assistance Fund (PEAF) to help provide certain non-recurrent, short term (NRST) benefits for people impacted by the pandemic. The funds can be used for administrative costs (up to a 15% cap for states and territories and up to the negotiated cap for tribes) and must be used to supplement, not supplant, other federal, state, tribal, territorial, or local funds.

Examples of NRST benefits include:

- One-time payments to provide extra cash to TANF recipients;
- One-time payments to provide extra cash to Supplemental SNAP recipients with children;
- Extra cash to replace lost wages for families with children eligible to receive SNAP or other means-tested benefits;
- Assistance for families who are behind on rent or experiencing other housing insecurity;
- Cash assistance for short-term basic needs to help families with mixed immigration status (e.g., citizen children with parents who are not eligible due to their immigration status);
- Coverage of burial expenses for needy families who have had a family member die from COVID-19;
- Payments for hotel rooms and meal delivery for people who need to quarantine away from their families;
- Benefits to secure personal protective equipment; and
- Vouchers to cover the cost of utility bills in arrears.

[Click here](#) for more information about the PEAFF program.