

## GENERAL ADMINISTRATIVE, NATIONAL, AND DEPARTMENTAL POLICY REQUIREMENTS AND TERMS FOR HUD’S FINANCIAL ASSISTANCE PROGRAMS

Below you will find various laws and policies that may apply to recipients of HUD’s financial assistance programs. Recipients are responsible for making sure activities funded by HUD awards comply with applicable requirements, whether the recipients carry out those activities directly or use contractors or subrecipients to carry out those activities. *See* [2 CFR 200.101\(b\)\(1\)](#), [200.300\(a\)](#), [200.303](#), [200.329\(a\)](#), and [200.332](#).

The tables below are not an exhaustive list of all laws and policies applicable to HUD awards and do not reproduce the full text of a law or policy. Accordingly, readers are encouraged to review the cited sources for more information and full context. The laws and policies in this addendum may apply if they are mentioned in a program notice or Notice of Funding Opportunity (NOFO). Some laws and policies may apply only to awards with certain types of activities or to certain types of recipients. For example, some may apply only to construction awards, or awards associated with publications. Some exceptions are noted in the tables below. Additionally, the requirements in this addendum may only apply to the extent they are consistent with the requirements stated by applicable federal statutes, regulations, and the applicable program NOFO or notice. The legal agreement signed for an award with the recipient or subaward with a subrecipient must contain assurances of compliance with program requirements including, but not limited to, nondiscrimination and equal opportunity requirements.

### Termination

HUD may terminate all or a part of your award in accordance with the terms and conditions of an award, including, to the extent authorized by law, if an award no longer effectuates the program goals or agency priorities. HUD may also impose specific conditions on an award or take other remedies if you do not comply with your award terms and conditions. *See* [Executive Order 14332](#), [2 CFR 200.339](#), [2 CFR 200.340](#), [2 CFR 200.341](#), [2 CFR 200.342](#), and [2 CFR 200.343](#).

### Administrative and Activities

	SUMMARY OF LAWS AND POLICY	RELEVANT CITATIONS	ADDITIONAL INFORMATION
<b>1.</b>	<p><b>Build America, Buy America (“BABA”)</b>                      Recipients must comply with the requirements of the Build America, Buy America (BABA) Act (Pub. L. 117-58, §§ 70901-52, 41 U.S.C. 8301 <i>et seq</i>), and all applicable rules and notices including BABA related terms and conditions in the award agreement, if the award is subject to BABA.                      Applicants are encouraged to consult with the NOFO point of contact to</p>	<p>Statute: <a href="#">Build America, Buy America (BABA) Act, Sections 70901-52 of Pub. L. No. 117-58, 41 U.S.C. 8301 <i>et seq</i></a></p> <p>Regulation: <a href="#">2 CFR Part 184; 2 CFR 200.322</a></p>	<p>For additional resources, please see <a href="#">Build America, Buy America   HUD.gov / U.S. Department of Housing and Urban Development (HUD)</a></p>

	confirm additional requirements or waivers specific to each grant.		
<b>2.</b>	<p><b>Real Estate Acquisition and Relocation (RRED)</b>  HUD-funded projects are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and 49 CFR part 24 (certain exceptions apply). The URA applies to acquisition of real property and relocation occurring as a direct result of the acquisition, rehabilitation, or demolition of real property for federal or federally funded programs or projects.</p> <p>In addition to the URA, certain HUD programs may be subject to the requirements under Section 104(d) of the Housing and Community Development Act of 1974, as amended [42 USC 5304(d)] and 24 CFR part 42. Section 104(d) requires grantees to follow a <i>Residential Anti-displacement and Relocation Assistance Plan</i>, to provide for distinct relocation benefits, and to provide for the replacement of lower-income dwelling units that have been demolished or converted to another use</p>	<p>Statute: <a href="#">Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) (42 U.S.C. § 4601 et seq.)</a>  Regulation: <a href="#">49 CFR part 24</a></p> <p>Statute: Section 104(d) of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. 5304(d)</p> <p>Regulations: 24 CFR part 42</p>	<p>Inquiries for additional assistance can be directed to the RRED program staff contact listing contained within the websites as follows: <a href="#">Real Estate Acquisition and Relocation   HUD.gov / U.S. Department of Housing and Urban Development (HUD)</a> or <a href="#">Real Estate Acquisition and Relocation - HUD Exchange</a></p>
<b>3.</b>	<p><b>OMB Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</b>  Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, set forth in 2 CFR part 200, apply, except as otherwise provided by the program NOFO or applicable program regulations.</p>	<p>Regulation: <a href="#">2 CFR part 200</a></p>	
<b>4.</b>	<p><b>Privacy Act Requirements Related to Safeguarding Resident/Client Files</b>  Recipients must protect resident and client files, and follow all applicable federal, state, local, and Tribal privacy</p>	<p>Statute: Privacy Act of 1974, as amended (<a href="#">5 U.S.C. 552a</a>)</p>	

<p>laws concerning the disclosure of records that pertain to individuals and take reasonable measures to ensure that all files are safeguarded, including when reviewing, printing, or copying client files. Federal rules override conflicting local laws. When handling personally identifiable information in a HUD system of records, recipients must comply with the Privacy Act of 1974, 24 CFR Part 5 Subpart B, and related HUD guidance.</p>	<p>Regulation: <a href="#">24 CFR part 5 subpart B</a></p>	
<p><b>5. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (FFATA) (Public Law 109-282) (Transparency Act), as amended</b>          Unless exempt, all recipients must report each subaward that equals or exceeds \$30,000 in federal funds for a subaward to an entity or federal agency pursuant to 2 CFR part 170 Appendix A.</p>	<p>Regulations: <a href="#">2 CFR part 170, Appendix A to 2 CFR part 170</a></p>	
<p><b>6. Eminent Domain</b>          Federal funds may not be used to support any federal, state, or local project that seeks to use the power of eminent domain, unless eminent domain is used only for public use. Public use shall not be construed to include economic development that primarily benefits private entities. Public use includes, among other things, mass transit, airports, seaports, highway projects, utility projects which benefit or serve the general public, and projects removing immediate threats to public health and safety or brownfields, as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Pub. L. 107-118).</p> <p>Additionally, funds shall not be used to insure, securitize, or establish a federal guarantee of any mortgage</p>	<p>This limitation on the use of eminent domain is a recurring provision in HUD’s annual appropriations Act.</p>	

	<p>or mortgage-backed security that refinances or otherwise replaces a mortgage that has been subject to eminent domain condemnation or seizure, by a State, municipality, or any other political subdivision of a State.</p>		
7.	<p><b>Participation in a HUD-Sponsored Program Evaluation</b>  Recipients must cooperate with HUD staff, contractors, or grantees conducting HUD-funded research or evaluations and comply with 24 CFR part 60 when involving human subjects in any HUD-sponsored research.</p>	<p>Statute: <a href="#">12 USC 1701z-1</a> and <a href="#">12 USC 1702z-2</a></p> <p>Regulation: <a href="#">24 CFR part 60 - Protection of Human Subjects</a></p> <p>Federal Register notice, (<a href="#">FR-6278-N-01</a>)</p> <p>Also, see applicable NOFO.</p>	
8.	<p><b>The Freedom of Information Act (FOIA)</b>  Under FOIA, anyone may request HUD records. HUD must release them unless exempted. HUD may also share records internally or with other federal agencies when relevant to program objectives.</p>	<p>Statute: <a href="#">5 USC § 552</a></p> <p>Regulations: <a href="#">24 CFR part 15</a></p>	
9.	<p><b>Other Presidential Executive Actions Affecting Federal Financial Assistance Programs</b>  Recipients of federal awards must comply with applicable Executive Orders, as advised by the Department.</p>	<p>Executive Orders:</p> <ul style="list-style-type: none"> <li>• <a href="#">14332</a> (<i>Improving Oversight of Federal Grantmaking</i>);</li> <li>• <a href="#">14303</a> (<i>Restoring Gold Standard Science</i>);</li> <li>• <a href="#">14219</a> (<i>Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative</i>);</li> </ul>	<p>This list is not exhaustive. You may find additional Executive Orders at: <a href="http://www.whitehouse.gov/presidential-actions/executive-orders">www.whitehouse.gov/presidential-actions/executive-orders</a></p>

		<ul style="list-style-type: none"> <li>• <a href="#">14218</a> (<i>Ending Taxpayer Subsidization of Open Borders</i>);</li> <li>• <a href="#">14202</a> (<i>Eradicating Anti-Christian Bias</i>);</li> <li>• <a href="#">14205</a> (<i>Establishment of the White House Faith Office</i>);</li> <li>• <a href="#">14182</a> (<i>Enforcing the Hyde Amendment</i>);</li> <li>• <a href="#">14173</a> (<i>Ending Illegal Discrimination and Restoring Merit-Based Opportunity</i>);</li> <li>• <a href="#">14168</a> (<i>Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government</i>);</li> <li>• <a href="#">14151</a> (<i>Ending Radical and Wasteful Government DEI Programs and Preferencing</i>); and</li> <li>• <a href="#">14148</a> (<i>Initial Rescissions of Harmful Executive Orders and Actions</i>).</li> </ul>	
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Civil Rights and Other Protections

	SUMMARY OF LAWS AND POLICY	RELEVANT CITATIONS	ADDITIONAL INFORMATION
10.	<b>Compliance with Fair Housing and Civil Rights Laws</b> Recipients must follow all fair housing and civil rights laws, including but not	<u>Fair Housing Act</u> Statute: <a href="#">42 U.S.C. §§ 3601 – 3619</a> ;	

<p>limited to, the Fair Housing Act, Title VI of the Civil Rights Act, the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, and Title II and Title III of the Americans with Disabilities Act.</p>	<p>Regulations: <a href="#">24 CFR part 100 et seq.</a>;</p> <p><a href="#">Title VI of the Civil Rights Act of 1964</a> Statute: <a href="#">42 U.S.C. § 2000d et seq.</a>;</p> <p>Regulations: <a href="#">24 CFR part 1</a>;</p> <p><a href="#">The Age Discrimination of Act of 1975</a> Statute: <a href="#">42 U.S.C. §§ 6101-6107</a>;</p> <p>Regulations: <a href="#">24 CFR part 146</a>;</p> <p><a href="#">Section 504 of the Rehabilitation Act of 1973</a> Statute: <a href="#">29 U.S.C. § 794</a>;</p> <p>Regulations: <a href="#">24 CFR part 8</a>;</p> <p><a href="#">The Americans with Disabilities Act (ADA)</a> Statute: Title II of the ADA (<a href="#">42 U.S.C. §§ 12131 – 12165</a>);</p> <p>Regulations: DOJ’s Title II implementing regulations: <a href="#">28 CFR part 35</a>;</p> <p>Statute: Title III of the ADA (<a href="#">42 U.S.C. §§ 12181 – 12189</a>);</p> <p>Regulations: DOJ’s Title III implementing regulations: <a href="#">28 CFR part 36</a>.</p>	
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<p><b>11. Affirmatively Furthering Fair Housing Requirements</b>  Recipients of HUD funding must follow the Fair Housing Act by actively furthering fair housing and complying with HUD’s Affirmatively Furthering Fair Housing regulation (90 FR 11020, March 3, 2025), including any future updates.</p>	<p>Statute: Section 808(e)(5) of the Fair Housing Act (<a href="#">42 U.S.C. § 3608(e)(5)</a>)</p> <p>Regulations: <a href="#">24 CFR 5.150</a></p>	
<p><b>12. Economic Opportunities for Low- and Very Low-Income Persons</b>  Section 3 requires recipients to the greatest extent feasible, provide jobs, training, contracting, and other economic opportunities to low- and very low-income people, especially those receiving housing assistance, and to businesses that support them.</p>	<p>Statute: Section 3 of the Housing and Urban Development Act of 1968 (<a href="#">12 U.S.C. § 1701u</a>)</p> <p>Regulations: <a href="#">24 CFR part 75</a></p>	
<p><b>13. Compliance with Immigration Requirements</b>  Recipients must follow all immigration laws, including the eligibility and verification requirements that apply under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ((PRWORA) (8 U.S.C. 1601–1646)), <a href="#">Executive Order 14218</a>, and related requirements set by HUD, Department of Justice (DOJ), or U.S. Citizenship and Immigration Services (USCIS). Funding may not be used to support illegal immigration. Recipients must use Systematic Alien Verification for Entitlements (SAVE) or another approved system to verify eligibility and prevent benefits to ineligible individuals.</p>	<p>Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (<a href="#">8 U.S.C. 1601-1646</a>) (PRWORA)</p> <p><a href="#">Executive Order 14218</a>: Ending Taxpayer Subsidization of Open Borders</p>	
<p><b>14. Accessible Technology</b>  Section 508 of the Rehabilitation Act of 1973, as amended, requires HUD to ensure access to electronic and information technology (EIT) that</p>	<p>Statute: Section 508 of the Rehabilitation Act of 1973 (<a href="#">29 U.S.C. § 794d</a>); Section 504 of the Rehabilitation Act (<a href="#">29 U.S.C. § 794</a>); and</p>	<p>Recipients can also learn about Section 508 at <a href="#">Section508.gov</a> and the <a href="#">U.S. Access Board website</a>.</p>

<p>allows people with disabilities to access and use information and data comparably to those without disabilities. HUD encourages its recipients and subrecipients to adopt the goals and objectives of Section 508 by ensuring comparable access whenever EIT is used. In addition, the recipient and subrecipient(s) must ensure their program and activities are carried out in compliance with applicable requirements in Section 504 of the Rehabilitation Act, HUD's implementing regulations at 24 CFR 8.6, and, where applicable, the ADA. These statutes also require effective communication with individuals with disabilities and prohibit EIT-imposed barriers to access information, programs, and activities for people with disabilities.</p>	<p>Title II of the ADA (<a href="#">42 U.S.C. §§ 12131 – 12165</a>) as applicable.</p> <p>Regulations: Access Board's Section 508 regulations at <a href="#">36 CFR part 1194</a>; HUD's Section 504 regulations at <a href="#">24 CFR § 8.6</a>; and DOJ's regulations at <a href="#">28 CFR part 35, subpart E, and H</a>.</p>	
<p><b>15. Ensuring the Consideration of Small Businesses, Minority Businesses, Women's Business Enterprises, Veteran-Owned Businesses, and Labor Surplus Area Firms</b></p> <p>Recipients should ensure, when possible, that small, minority, women-owned, veteran-owned, and labor surplus area businesses are considered for contracting opportunities and financial assistance programs consistent with 2 CFR 200.321.</p>	<p>Regulations: <a href="#">2 CFR 200.321</a></p>	
<p><b>16. Equal Participation of Faith-based Organizations in HUD Programs and Activities</b></p> <p>Faith-based organizations may apply or participate in HUD programs and activities pursuant to 24 CFR 5.109 provided they do not use federal funds for religious activities; they separate religious activities from HUD-funded services; they provide notice of protections to beneficiaries; they</p>	<p>Statute: Religious Freedom Restoration Act of 1993, as amended (<a href="#">42 U.S.C. 2000bb et seq.</a>;</p> <p>Title VII of the Civil Rights Act of 1964, <a href="#">42 U.S.C. 2000d et seq.</a>;</p> <p>Regulations: <a href="#">24 CFR 5.109</a></p>	

	<p>honor objections by offering alternatives; and they do not discriminate against beneficiaries or prospective beneficiaries based on religion or belief.</p>		
<p><b>17.</b></p>	<p><b>Accessibility for Persons with Disabilities</b>  All HUD-funded activities must be accessible to people with disabilities. All meetings must be held, and services provided, in facilities that are physically accessible to persons with disabilities. Where physical accessibility is not achievable, recipients and subrecipients must give priority to alternative methods of product or information delivery that offer programs and activities to qualified individuals with disabilities in the most integrated setting appropriate. Grantees must ensure no one is excluded or denied benefits, consistent with 24 CFR part 8, subpart C.  All notices of and communications during training sessions and public meetings shall be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities or provide other means of accommodation for persons with disabilities consistent with section 504 of the Rehabilitation Act of 1973 and HUD’s Section 504 regulations. Recipients and subrecipients must provide appropriate auxiliary aids and services necessary to ensure effective communication, which includes ensuring that information is provided in appropriate accessible formats as needed, e.g., Braille, audio, large type, assistive listening devices, sign language interpreters, accessible websites, and other electronic</p>	<p>Statute: Section 504 of the Rehabilitation Act of 1973 (<a href="#">29 U.S.C. § 794</a>)</p> <p>Regulations: <a href="#">24 CFR part 8, subpart C</a></p>	<p>HUD’s Resources: <a href="#">Section 504 of the Rehabilitation Act of 1973</a></p>

	communications. See 24 CFR Section 8.6; 28 CFR 35.160, 36.303.		
<b>18. Violence Against Women Act</b>	<p>The Violence Against Women Act of 1994 (VAWA), as amended, provides housing protections for victims of domestic violence, dating violence, sexual assault, and stalking in HUD housing programs. An applicant for assistance or a tenant already assisted under a covered housing program may not be denied admission to, denied assistance under, terminated from participation in, or evicted from housing, on the basis or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy. Housing providers must have emergency transfer plans for facilitating emergency relocation of victims, and may not retaliate, intimidate, or discriminate against those exercising VAWA rights. VAWA also safeguards the right to report crimes or emergencies from housing without penalty.</p>	<p>Statute: The Violence Against Women Act of 1994, as amended, housing provisions at <a href="#">34 U.S.C. 12491</a>, <i>et seq.</i></p> <p>HUD’s regulations implementing VAWA, as amended by the Violence Against Women Reauthorization Act of 2013, Pub. L. 113-4, 127 Stat. 54, are located are at <a href="#">24 CFR part 5, subpart L</a>, Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (collectively, the VAWA rule) and in the applicable program regulations</p>	<p>The specific HUD programs that are subject to the VAWA housing protections are listed in the “<a href="#">covered housing program</a>” definition at 24 CFR 5.2003, and as may be identified by HUD through further regulations, notices, or any other means.</p>
<b>19. Trafficking in Persons</b>	<p>The award term in Appendix A to <a href="#">2 CFR part 175</a> applies to each grant or cooperative agreement HUD makes with a private entity, as defined in <a href="#">2 CFR 175.300</a>; and each grant or cooperative agreement HUD makes with a state, local government, Indian tribe, foreign public entity, or any other recipient, where funding under the award could be provided to a subrecipient that is a private entity. However, where the award term refers</p>	<p>Statute: Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (<a href="#">22 U.S.C. 7104(g)</a>)</p> <p>Regulations: <a href="#">2 CFR part 175</a>, <a href="#">2 CFR part 180</a>, <a href="#">2 CFR part 2424</a></p>	

<p>to the agency’s regulatory implementation of the Office of Management and Budget guidelines in <a href="#">2 CFR part 180</a>, those references will be understood to refer to <a href="#">2 CFR part 2424</a>.</p>		
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Environmental

	SUMMARY OF LAWS AND POLICY	RELEVANT CITATIONS	ADDITIONAL INFORMATION
20.	<p><b>Applicable Environmental Requirements</b> As applicable under <a href="#">24 CFR part 50</a> or <a href="#">24 CFR part 58</a>, recipients must comply with the National Environmental Policy Act (NEPA) and related environmental laws and authorities.</p>	<p>Statute: National Environmental Policy Act of 1969 (<a href="#">42 U.S.C. 4321 et seq.</a>)</p> <p>Regulations: <a href="#">24 CFR part 50</a>, <a href="#">24 CFR part 58</a>, <a href="#">24 CFR part 51</a>, <a href="#">24 CFR part 55</a></p>	

Business Integrity

	SUMMARY OF LAWS AND POLICY	RELEVANT CITATIONS	ADDITIONAL INFORMATION
21.	<p><b>Conducting Business in Accordance with Ethical Standards</b> Recipients, except states and Tribes subject to 2 CFR 200.317, must have a code of conduct for procurements that meet all requirements in 2 CFR 200.318(c). Before entering into an agreement with HUD, each applicant selected for an award must ensure an up-to-date copy of the organization’s code of conduct, dated and signed by the executive director, chair, or equivalent official, of the governing body of the organization, is available in the <a href="#">Code of Conduct e-library</a>. Applicants can confirm whether HUD has received their Code of Conduct in the e-library. States and Tribes subject to 2 CFR 200.317 must follow the same policies and procedures for procurements under federal awards that the state uses for procurements from its non-federal funds. If such</p>	<p>Regulations: <a href="#">2 CFR 200.112</a>, <a href="#">2 CFR 200.113</a>, <a href="#">2 CFR 200.317</a>, <a href="#">CFR 200.318(c)</a>.</p>	

<p>policies and procedures do not exist, they must follow the code of conduct requirements in 2 CFR 200.318(c).</p> <p>Additionally, all recipients must comply with the conflict-of-interest requirements in the applicable program regulations and grant agreements. If there are no program-specific regulations for the award, the conflict-of-interest requirements specified below this table, titled <i>Conflicts of Interest</i>, apply. Recipients must disclose in writing any potential conflict of interest to HUD.</p>		
<p><b>22. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment</b>  Recipients may not use federal award funds to purchase, lease, or renew or extend contracts for “covered telecommunications equipment or services,” as described in 2 CFR 200.216, which include equipment or services provided by Huawei Technologies Company or the ZTE Corporation (or any subsidiary or affiliate of such entities).</p>	<p>Statute: <a href="#">Section 889 of Public Law 115-232 (41 USC 3901 note prec.)</a></p> <p>Regulation: Prohibition on Certain Telecommunication and Video Surveillance Equipment or Services (<a href="#">2 CFR 200.216</a>)</p>	
<p><b>23. Waste, Fraud, Abuse, and Whistleblower Protections</b>  Anyone aware of fraud, waste, or abuse of a HUD award must report such incident(s) to both the HUD official responsible for the award and the HUD Office of Inspector General (OIG). All HUD awards are subject to the requirements under 41 U.S.C. § 4712, which includes informing employees in writing of their rights and remedies, in the predominant native language of the workforce.</p> <p>Under 41 U.S.C. § 4712, employees of a government contractor, subcontractor, grantee, and</p>	<p>Statute: <a href="#">41 U.S.C. § 4712</a></p>	<p>HUD OIG is available to receive allegations of fraud, waste, and abuse related to HUD programs via its hotline number (1-800-347-3735) and its online <a href="#">hotline form</a>.</p> <p>See Federal Contractor or Grantee Protections   Office of Inspector General, Department of Housing and Urban Development at <a href="https://www.hudoig.gov/fraud/whistleblower-rights/federal-contractor-grantee-protections">https://www.hudoig.gov/fraud/whistleblower-rights/federal-contractor-grantee-protections</a></p>

	<p>subgrantee, as well as a personal services contractor, who make protected disclosures about a federal grant or contract cannot be discharged, demoted, or otherwise discriminated against as long they reasonably believe the information they disclose is evidence of: (1) gross mismanagement of a federal contract or grant; (2) gross waste of federal funds; (3) violations of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant. (4) an abuse of authority relating to a federal contract or grant; and (5) a substantial and specific danger to public health or safety.</p>		
<p><b>24.</b></p>	<p><b>Drug-Free Workplace</b>  Recipients must comply with the drug-free workplace laws set forth in subpart B (or subpart C, if the recipient is an individual) of 2 CFR part 2429, which adopts the government-wide implementation (2 CFR part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).</p>	<p>Statute: <a href="#">41 U.S.C. 701–707</a>  Regulations: <a href="#">2 CFR Part 2429 Subpart B (or C, if the recipient is an individual)</a>; <a href="#">2 CFR part 182</a></p>	

### Conflicts of Interest Requirements

All applicants, recipients, and subrecipients must comply with the conflict-of-interest requirements in the applicable program regulations and grant agreements. If there are no program-specific regulations for the award, the following conflict-of-interest requirements apply:

- i. **Conflicts subject to procurement regulations.** In the procurement of property or services by recipients and subrecipients, the conflict-of-interest rules in 2 CFR 200.317 and 2 CFR 200.318(c) shall apply. In all cases not governed by 2 CFR 200.317 and 2 CFR 200.318(c), recipients and subrecipients must follow the requirements contained in paragraphs ii-v below.
- ii. **General prohibition.** No person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or subrecipient and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision making process or gain inside information with regard to such

activities, may obtain a financial interest or benefit from the activity, or have a financial interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage or adoption) the spouse, parent (including a stepparent), child (including a stepchild), sibling (including a stepsibling), grandparent, grandchild, and in-laws of a covered person.

- iii. **Exceptions.** HUD may grant an exception to the general prohibition in paragraph ii upon the recipient's written request and satisfaction of the threshold requirements in paragraph iv, if HUD determines the exception will further the federal purpose of the award and the effective and efficient administration of the recipient's program or project, taking into account the cumulative effects of the factors in paragraph v.
- iv. **Threshold requirements for exceptions.** HUD will consider an exception only after the recipient has provided the following documentation:
  - a. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
  - b. An opinion of the recipient's attorney that the interest for which the exception is sought would not violate state, local, or Tribal law.
- v. **Factors to be considered for exceptions.** In determining whether to grant a requested exception after the recipient has satisfactorily met the threshold requirements in paragraph iii, HUD will consider the cumulative effect of the following factors, where applicable:
  - a. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;
  - b. Whether an opportunity was provided for open competitive bidding or negotiation;
  - c. Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
  - d. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
  - e. Whether the interest or benefit was present before the affected person was in a position as described in paragraph ii;
  - f. Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

- g. Other relevant considerations.
- vi. For purposes of the above requirements, once procured, contractors are considered agents of the recipient or subrecipient and are subject to the above conflict of interest rules in addition to those for procurements at 2 CFR 200.317 or 2 CFR 200.318, as applicable.

Recipients must disclose in writing any potential conflict of interest to HUD. See [HUD's Code of Conduct webpage for submission guidance](#).