



# 2025

## BUDGET IN BRIEF

U.S. Department of Housing  
and Urban Development





# **2025**

# **BUDGET IN BRIEF**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Table of Contents

Message from the Secretary .....	1
Overview .....	2
Office of Public and Indian Housing .....	12
Office of Housing .....	16
Office of Community Planning and Development .....	19
Office of Lead Hazard Control and Healthy Homes .....	23
Government National Mortgage Association .....	26
Office of Policy Development and Research .....	28
Office of Fair Housing and Equal Opportunity .....	30
Management and Administration.....	32
Office of Inspector General .....	35

## Message from the Secretary

---



At HUD, the heart of our work is creating strong, sustainable, inclusive communities and quality homes for all. This remains our North Star even as the country continues to deal with the culminating effects of the longstanding affordable housing shortage. Under the leadership of the Biden-Harris Administration, HUD is taking specific actions to solve the issues of housing unaffordability and ensure all people have a place they can call home, because safe and affordable housing in inclusive neighborhoods allows all people to thrive.

We must continue to commit the resources necessary to alleviate the housing crisis our Nation has faced for decades. We've made progress, and we need to stay the course laid out since the beginning of this Administration. Over the last couple of years, the country has built a record-setting number of homes since the Great Recession; and HUD has provided historic levels of rental assistance and resources to reduce homelessness. However, housing that is affordable to low- and moderate-income families remains too scarce. From those looking to put down roots and make a new home to families facing the risk of displacement from places they've lived for generations, this crisis affects us all, and it limits our Nation's potential. The lack of affordable housing increases homelessness, perpetuates disparities in homeownership, and widens wealth gaps – all of which fall along racial and economic lines.

The 2025 President's Budget emphasizes HUD's commitment to carrying out our mission and prioritizes efforts to:

- Support Historically Underserved Communities and Equitable Community Development;
- Increase Supply of and Access to Affordable Housing;
- Address Homelessness with the Urgency it Requires;
- Promote Homeownership Opportunities and Wealth Building;
- Advance Sustainable Communities, Climate Resilience, and Environmental Justice; and
- Strengthen HUD's Internal Capacity to Deliver Its Mission.

As always, HUD will do our duty to ensure people have fair and inclusive access to housing. This Budget seeks to increase HUD's capacity to redress discriminatory housing practices, maintain and improve its internal systems, and invest in critical staffing across the Department.

Under this Administration, HUD will remain resolute in ensuring that the basic necessities of quality housing and healthy communities are attainable for everyone.

Sincerely,

A handwritten signature in black ink that reads "Marcia L. Fudge".

Marcia L. Fudge  
Secretary

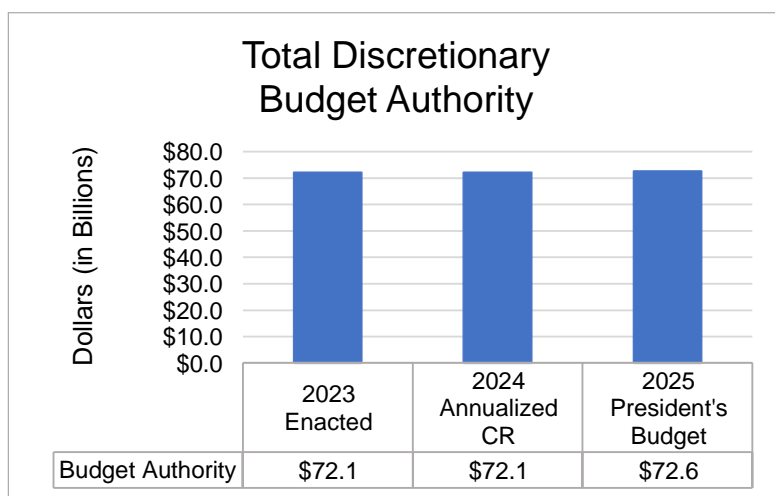


## Overview

The 2025 President's Budget requests \$72.6 billion for the Department of Housing and Urban Development (HUD). In addition, it requests \$185 billion over ten years for new **mandatory affordable housing investments** – including \$81.3 billion for HUD programs – focused on increasing the Nation's housing supply, lowering homeownership costs, supporting low-income renters, and preventing homelessness.

The US is currently in the midst of a housing affordability crisis that has been brewing for decades. Rental vacancy rates are the lowest they have been since the mid-1980s, and renters are paying more of their income for rent. The lag in housing production compared to population growth contributes to the limited supply of affordable housing units and the increases in the number of people becoming severely cost-burdened. Thus, rents and housing prices continue to increase. As a result, more people across the income spectrum – especially lower income households – are at a heightened risk of losing their housing or forgoing other basic necessities just to ensure they have shelter. In addition, housing-related challenges can trigger significant health distress for residents.

This Budget invests in the creation of affordable housing while preserving and rehabilitating the existing affordable housing stock so families can remain in – and be healthy in – their homes. At the same time, HUD is committed to expanding efficient and resilient housing options to mitigate the impact of the climate crisis on communities served by HUD programs, which often have a significant share of low- to moderate-income households and people of color. HUD is also working to reduce the effects of housing-related challenges on the social determinants of health and improve the experience of the Department's customers. Overall, this Budget proposes a series of continued investments in lowering housing costs and providing safe housing options to further the Administration's commitment to rebuilding America from the bottom up and middle out.



HUD will continue to create strong, sustainable, inclusive communities and ensure quality homes for all. HUD will work to achieve the following Secretarial priorities through its equity-focused housing and community-building policies and programs:

- Expand access to affordable housing and rental assistance;
- Increase housing supply through building, preservation, and innovation;
- Combat homelessness with the urgency it requires;
- Boost wealth-building and homeownership opportunities for all;

- Ensure communities can equitably prepare for a changing climate and recover from disaster and extreme weather; and
- Make HUD easier to navigate so help can reach the people who need it most.

The 2025 President's Budget will help achieve these priorities with a combination of discretionary and mandatory funding.

#### **Discretionary Funding Highlights:**

- \$241 million for new vouchers under the **Housing Choice Voucher (HCV) Program** to help 20,000 more low-income individuals and families find and afford housing.
- \$4.1 billion for **Homeless Assistance Grants** to provide housing and services to individuals and families experiencing homelessness.
- Investments across **multiple programs** to support individuals and families who are homeless, including: youth; and survivors of domestic violence, dating violence, sexual assault, and stalking; or human trafficking.
- Up to \$50 million for the **FirstHOME Downpayment Assistance initiative** under the **HOME Program** to support sustainable homeownership for first-time homebuyers, on top of FHA's continued efforts to keep homeownership affordable.
- \$407 million to support **energy efficiency, resilience, and climate mitigation** work in HUD-assisted and financed developments.
- \$417 million to remove dangerous health hazards from homes for vulnerable families through funding for **Lead Hazard Control and Healthy Homes** programs and the **Public Housing Fund**, including mitigating threats from fire, lead, carbon monoxide, and radon.
- \$2.4 billion for **Management and Administration** expenses, investing in critical staffing and information technology needs to strengthen HUD's capacity to deliver on its mission.
- \$86 million for **Fair Housing programs** plus salaries and expenses funding for increased HUD staff capacity to redress discriminatory housing practices.

#### **Mandatory Funding Highlights:**

The Budget proposes a total of \$81.3 billion for **a variety of HUD programs over 10 years** to serve low-income families, individuals experiencing and at risk of homelessness, veterans, youth aging out of foster care, older adults, and other vulnerable populations. It includes the following:

- \$15 billion for an **Extremely Low-Income Housing Supply Subsidy** to provide \$7.5 billion for critically needed new Project-Based Rental Assistance (PBRA) contracts to encourage housing production that is affordable to the lowest-income households, and \$7.5 billion to modernize, substantially rehabilitate, and preserve existing, distressed public housing.
- \$20 billion for an **Innovation Fund for Housing Expansion**, which will provide flexible grants to States, communities, Tribes, and other eligible entities to implement locally-driven plans to dramatically expand housing supply, lower rental costs, and promote homeownership.

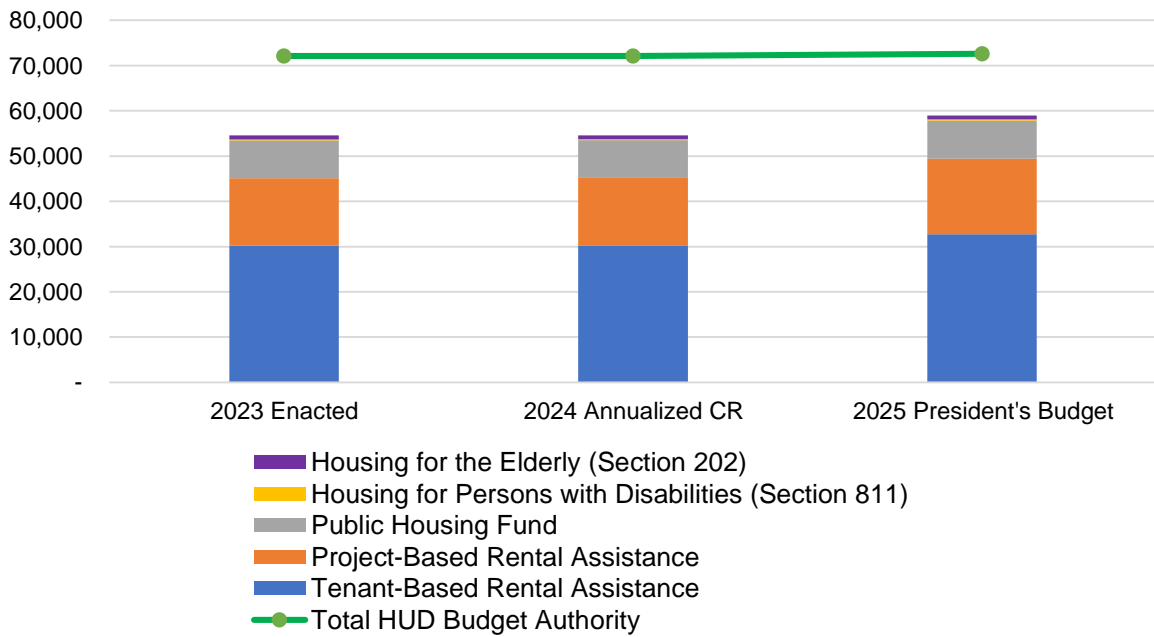
- \$22.3 billion for **Housing Vouchers for Vulnerable Low-Income Populations**, to assist two populations that are particularly vulnerable to homelessness. This funding would provide \$13.1 billion to make housing vouchers available to all veterans with extremely low incomes and \$9.2 billion to provide guaranteed housing voucher assistance for all youth aging out of foster care beginning in 2026.
- \$10 billion for **First-Generation Homebuyer Down Payment Assistance**, to enable approximately 400,000 Americans to purchase new homes, while addressing racial and ethnic wealth gaps by creating generational wealth through homeownership.
- \$3 billion for **Sustainable Eviction Prevention Reform**, for new or existing efforts to solidify long-term State, local, Tribal, and territorial efforts to reform eviction policies and programs to ensure renters' access to resources that help them avoid eviction, and supports to prevent future housing instability.
- \$8 billion in additional **Homelessness Grants**, to rapidly expand temporary and permanent housing strategies and options for people experiencing or at risk of homelessness.
- \$3 billion for **Emergency Rental Assistance for Older Adults at Risk of Homelessness**, to help communities to provide targeted homelessness prevention assistance for very low-income older adults in unstable housing situations and support those currently experiencing homelessness.

In addition, the 2025 President's Budget supports authorizing the **Community Development Block Grant—Disaster Recovery (CDBG-DR)** program. For more than twenty years, the Congress has appropriated emergency supplemental funds to HUD in response to major disasters to address the unmet long term disaster recovery needs of States, territories, local governments, and Tribes. Authorization would improve the transparency, predictability, and efficacy of CDBG-DR funds directed to impacted communities.

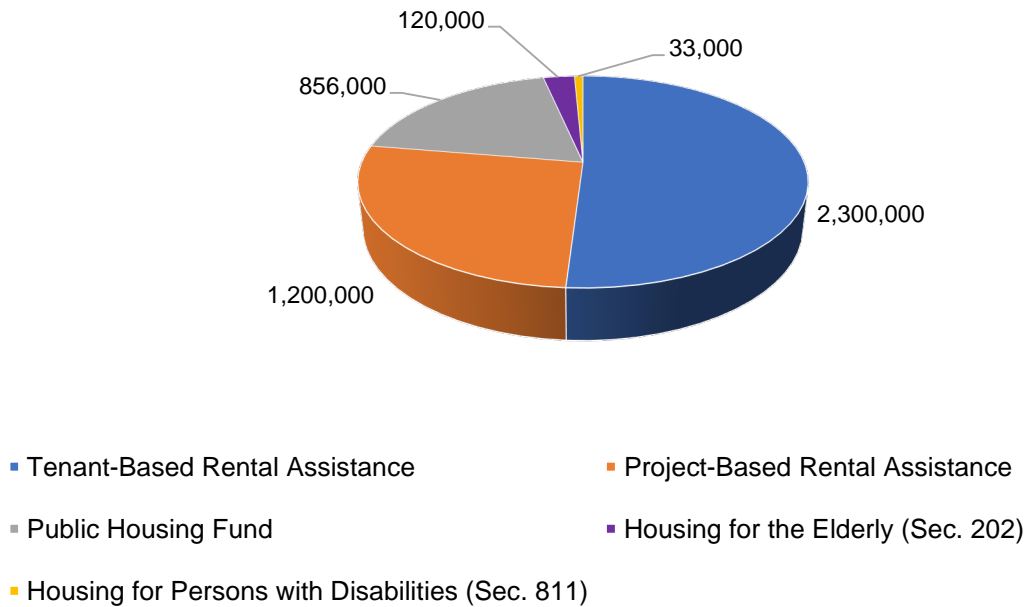
The vast majority of the proposed Budget provides funding for rental assistance, community development, and homelessness programs that help individuals and families stay in safe and affordable housing and build communities. For 2025, 87 percent of HUD's total Budget is needed solely to renew assistance to over 4.5 million households in HUD-subsidized rental assistance and 1.2 million people in HUD homeless assistance programs. For the 4.5 million households served under HUD's rental assistance programs in 2023, an estimated: 60 percent had a head of household who was elderly or disabled; 78 percent were extremely low-income (below 30 percent of area median income); and an additional 18 percent were very low-income (below 50 percent of area median income).

The 2025 President's Budget outlines an ambitious agenda to address challenges our Nation faces, ranging from climate change to housing discrimination to ending homelessness. It takes a comprehensive approach to address these challenges and identifies funding priorities to achieve HUD's strategic goals.

## Budget Authority, Rental Assistance Programs (Dollars in Millions)



## Families Served by Rental Assistance Programs in 2023





## Strategic Goals<sup>1</sup>

### STRATEGIC GOAL 1: SUPPORT UNDERSERVED COMMUNITIES Fortify support for underserved communities and support equitable community development for all people

HUD will bolster Fair Housing compliance and enforcement, continue to implement a Housing First approach to reduce homelessness, and drive equitable community development. The Department is committed to building an inclusive future that promotes wealth-building for all people and lifts underserved communities to share in the Nation's prosperity.

Investments in the following programs will help HUD achieve this goal:

- **Public Housing Fund:** For the operation, maintenance, and capital improvements to approximately 900,000 affordable public housing units in 2025, serving over 1.7 million residents in 856,000 households, 73 percent of whom are extremely low-income.
- **Homeless Assistance Grants:** To provide housing and services for vulnerable individuals and families who are homeless or at risk of homelessness. These funds will provide capacity and support to communities as they work to coordinate an effective homeless response system in a trauma-informed and equitable way.
- **Fair Housing Programs:** For targeted and coordinated fair housing enforcement, education, and outreach to prevent and redress housing-related discrimination.
- **Community Development Block Grant (CDBG) Program:** For developing viable urban and rural communities by expanding economic opportunities and improving quality of life principally for low- and moderate-income persons.
- **Indian Housing Block Grant (IHBG) Program:** For grants to finance affordable housing operations and maintenance, construction, acquisition, and rehabilitation in Indian Country.
- **Indian Community Development Block Grant (ICDBG) Program:** For community development-related projects in Indian Country, such as the construction of community buildings and the infrastructure necessary for housing developments.

### STRATEGIC GOAL 2: ENSURE ACCESS TO AND INCREASE THE PRODUCTION OF AFFORDABLE HOUSING

#### Ensure housing demand is matched by adequate production of new homes and equitable access to housing opportunities for all people

Increasing the availability of safe, high quality, and affordable housing will help ensure equitable access to housing opportunities and benefit families and communities. This can be achieved through increasing access to rental assistance and the supply of affordable housing.

Accomplishing this goal includes evaluating HUD's programs to identify ways the Federal Government can make affordable housing and related services work better for families. These efforts aim to give people real, viable housing choices in where they live.

---

<sup>1</sup>HUD's 2022 – 2026 Strategic Plan is available at: [https://www.hud.gov/program\\_offices/spm/pmd](https://www.hud.gov/program_offices/spm/pmd)

Investments in the following programs will help HUD achieve this goal:

- **Mandatory Affordable Housing Investments:** To: 1) build affordable homes and reduce barriers to housing production, from restrictive zoning to practices that foster discrimination and disparate treatment in the housing market; 2) make a long-term investment in housing accessibility and affordability for people currently experiencing homelessness and low-income populations that are vulnerable to homelessness, as well as down payment assistance for first-time, first-generation homebuyers to help address racial and ethnic homeownership and wealth gaps; and 3) provide resources to help renters avoid eviction.
- **HOME Investment Partnerships (HOME) Program:** To create or preserve nearly 12,000 affordable housing units.
- **Tenant-Based Rental Assistance (TBRA):** To assist 2.3 million currently-assisted very low-income families, elderly persons, formerly homeless veterans, and persons with disabilities to rent affordable, decent, safe, and sanitary housing in the private market.
- **Rental Assistance Demonstration (RAD) Program:** For public housing agencies (PHAs) and other owners to transition public housing units and Section 202-supported properties to the Section 8 project-based platform, and to reduce administrative costs for lower capacity and small property owners converting to RAD. These funds would enable the conversion of approximately 33,000 units and, in the process, holistically address critical property needs, environmental hazards, and energy inefficiencies, while increasing housing choice for residents.
- To fund contract renewals in **TBRA** and **PBRA**, two of HUD's largest programs that maintain access to affordable housing.
- To ensure that there are sufficient resources at every PHA to maintain current service level through the **Public Housing Fund**.
- **Operational Performance Evaluations and Risk Assessments (OPERA):** For a new program that would streamline the financial, health, and safety inspections for subsidized and affordable housing. OPERA would also increase HUD's data analytic capabilities, which would help assess trends and keep residents safe.
- **Community Development Block Grants:** For activities such as land acquisition to construct new units, conversion of commercial properties to housing or mixed-use development, housing rehabilitation and reconstruction, and improvements to infrastructure and public facilities in support of new housing construction. The **PRO Housing** competition, funded out of the appropriation for CDBG, will remove barriers to affordable housing production, as well as support the preservation, financing, and construction of affordable housing.

### STRATEGIC GOAL 3: PROMOTE HOMEOWNERSHIP

#### Promote homeownership opportunities, equitable access to credit for purchase and improvements, and wealth-building in underserved communities

Homeownership is vital to promoting viable, inclusive economic opportunities to all. HUD is dedicated to helping individuals develop wealth by improving access to affordable homeownership. This will be achieved by maximizing the extension of credit for low-to-moderate

income homebuyers and others who are underserved by the conventional mortgage market. With its Federal partners, the Department will work to ensure the housing finance system serves all people equitably and fairly – from the FHA underwriting process through Ginnie Mae’s engagement of capital markets.

Investments in the following programs will help HUD achieve this goal:

- **Federal Housing Administration (FHA):** The Budget maintains the Administration’s progress expanding access to homeownership for underserved borrowers, including first-time, low- to moderate-income and minority homebuyers.
- **FirstHOME Downpayment Assistance initiative (under the HOME Program):** For funding to States and insular areas to better support sustainable homeownership for first-generation and/or low-wealth first-time homebuyers.
- **Indian Housing Loan Guarantee Fund (Section 184) Program:** To encourage private lending on and off Tribal trust land by guaranteeing home mortgage loans, which assists Native American families in becoming homeowners.
- **Government National Mortgage Association (Ginnie Mae):** To channel funding from the global capital markets to the primary market for federally-backed mortgages. This maintains support for low-cost homeownership and housing opportunities for Americans across the single-family, multifamily, manufactured housing, and reverse mortgage segments of the market.

## **STRATEGIC GOAL 4: ADVANCE SUSTAINABLE COMMUNITIES**

### **Advance sustainable communities by strengthening climate resilience and energy efficiency, promoting environmental justice, and recognizing housing’s role as essential to health**

Everyone deserves a safe and healthy place to live. The Department will work to eliminate socioeconomic disparities by addressing environmental health hazard exposures while strengthening health and safety regulations and policies. HUD seeks to integrate best practices in the areas of community health, customer experience, and equity to effectively adapt policies to the individual needs of local communities. Lastly, HUD will guide investment in climate preparedness and resilience to reduce financial burdens on residents and preserve our world’s finite resources.

Investments in the following programs will help HUD achieve this goal:

- **Public Housing Fund:** To evaluate and reduce residential health hazards in public housing, including lead-based paint hazards, and public housing capital funds, which are critical to improving the quality of public housing.
- **Lead Hazard Control and Healthy Homes:** To mitigate lead hazards in low-income, unassisted households, as well as identify and mitigate multiple health hazards in low-income households.
- **Native American Programs:** Funding to eligible Indian Tribes and Tribally Designated Housing Entities (TDHEs) to rehabilitate and construct new housing units, with priority given to projects that also increase energy efficiency, improve water conservation, and further climate resilience in housing developments within Indian Country.

- **Choice Neighborhoods:** To help communities develop and implement locally-driven, comprehensive neighborhood plans to transform underserved neighborhoods. The program advances climate resilience and environmental justice by redeveloping and replacing distressed public housing and other HUD-assisted multifamily housing and neighborhood amenities with resilient and energy-efficient structures.
- **Community Development Loan Guarantee (Section 108):** For loan guarantee authority so communities can leverage their Community Development Block Grants to tackle large-scale community and economic development projects.

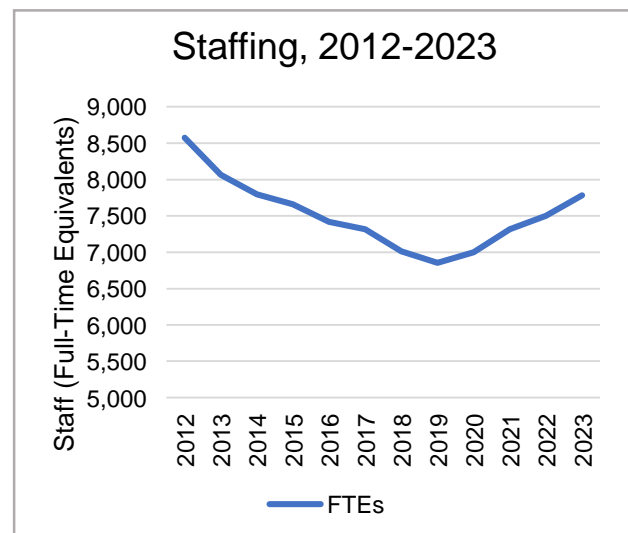
Together, these investments will decrease the financial burden on tenants, help to address inequities, reduce carbon emissions, and increase the climate resilience of HUD's housing stock while improving indoor air quality and creating healthier and safer homes for families.

## STRATEGIC GOAL 5: STRENGTHEN HUD'S INTERNAL CAPACITY

### HUD will strengthen its internal capacity and efficiency to better ensure delivery of HUD's mission

Strengthening HUD's workforce is vital to the successful delivery of HUD's mission of creating strong, sustainable, inclusive communities and quality affordable homes for all. Without talented staff, HUD would not be able to properly administer housing programs that many communities and individuals rely on across the United States. As such, HUD is committed to bolstering and enabling its workforce through hiring, training, providing opportunities for growth, and promoting a more inclusive work environment. Improvements to HUD's information technology infrastructure will also be instrumental in strengthening the Department's internal capacity and efficiency.

In the period between 2012 and 2019, the number of full-time equivalent (FTE) employees at HUD declined by 20 percent. Through a focus on the hiring process and the salaries and expenses (S&E) budget, HUD has been able to steadily increase staffing from 2019 to 2023, with a total FTE increase of 13.6 percent during that period. Bolstering HUD's capacity has helped to mitigate risks to HUD's ability to meet the needs of its customers, protect against cybersecurity threats, and deliver on the mission. Investments in staffing and resources have also resulted in operational successes in a range of areas, from more on-time procurement actions to a clean financial audit to saving money on records storage.



The 2025 Budget aims to continue and build on the above successes by requesting \$1.98 billion for **S&E**. In combination with carryover of 2024 funding, this will support 8,382 FTEs.<sup>2</sup> This level of staffing will enable the Department to better and more efficiently serve households and communities across the country through improving the retention of and growing the technical competency of HUD's workforce.

The Budget also proposes \$419 million for the **Information Technology (IT) Fund** to continue to invest in the modernization of HUD's IT systems, infrastructure, and cybersecurity. These investments will help ensure that HUD has the resources and capacity to rise to meet the critical work ahead.

### SALARIES AND EXPENSES<sup>3</sup>

(Dollars in Thousands)

Program Office	2024		2025		Change from 2024	
	Annualized CR	Total FTEs*	Requested Funding	Total FTEs*	Funding	FTEs
Public and Indian Housing	\$278,200	1,492	\$296,750	1,517	\$18,550	25
Housing	\$465,000	2,551	\$509,000	2,584	\$44,000	33
Community Planning and Development	\$163,400	897	\$180,000	891	\$16,600	(6)
Fair Housing and Equal Opportunity	\$97,000	598	\$111,750	636	\$14,750	38
Lead Hazard Control and Healthy Homes	\$11,100	54	\$11,700	54	\$600	-
Policy Development and Research	\$39,600	208	\$45,250	220	\$5,650	12
Executive Offices	\$18,500	89	\$20,500	89	\$2,000	-
Administrative Support Offices	\$659,600	2,075	\$734,028	2,111	\$74,428	36
<b>HUD TOTAL</b>	<b>\$1,732,400</b>	<b>7,964</b>	<b>\$1,908,978</b>	<b>8,102</b>	<b>\$176,578</b>	<b>138</b>
Working Capital Fund	[69,028]	19	[90,025]	20	[20,997]	1
Ginnie Mae	\$40,400	192	\$67,000	260	\$26,600	68
Office of Inspector General	\$146,000	485	\$160,000	520	\$14,000	35

\*Note: Total FTEs supported by both 2024 Annualized CR/2025 Budget and carryover funding.

<sup>2</sup> Including Ginnie Mae; excluding Office of Inspector General.

<sup>3</sup> The "Salaries and Expenses" chart only includes enacted/requested budget authority for each year; it does not include carryover. It also includes Ginnie Mae.

## Summary Table

(Dollars in Millions)

Programs		2023 Enacted	2024 Annualized CR	2025 President's Budget
Public & Indian Housing	Tenant-Based Rental Assistance	\$30,253	\$30,253	\$32,756
	Public Housing Fund	\$8,514	\$8,514	\$8,540
	Choice Neighborhoods	\$350	\$350	\$140
	Self-Sufficiency Programs	\$175	\$175	\$175
	Native American Programs	\$1,020	\$1,020	\$1,053
	Native Hawaiian Housing Block Grant	\$22	\$22	\$22
	Indian Housing Loan Guarantee Fund (Section 184)	\$6	\$6	\$2
	Operational Performance Evaluation and Risk Assessments Fund	\$0	\$0	\$50
<b>Subtotal PIH</b>		<b>\$40,340</b>	<b>\$40,340</b>	<b>\$42,738</b>
Housing	Project-Based Rental Assistance	\$14,907	\$14,907	\$16,686
	Housing for the Elderly (Section 202)	\$1,075	\$1,075	\$931
	Housing for Persons with Disabilities (Section 811)	\$360	\$360	\$257
	Mutual Mortgage Insurance Program	\$150	\$150	\$155
	Housing Counseling Assistance	\$58	\$58	\$58
	Manufactured Housing Fee Trust Fund -- General Fund	\$14	\$14	\$14
	Manufactured Housing Fee Trust Fund -- Receipts	(\$16)	(\$16)	(\$14)
<b>Subtotal Housing</b>		<b>\$16,548</b>	<b>\$16,548</b>	<b>\$18,087</b>
Community Planning & Development	Housing Opportunities for Persons with AIDS	\$499	\$499	\$505
	Community Development Fund	\$3,415	\$3,415	\$2,930
	Community Development Fund -- Congressionally Directed	\$2,982	\$2,982	\$0
	HOME Investment Partnerships Program	\$1,500	\$1,500	\$1,250
	Preservation and Reinvestment Initiative for Community Enhancement	\$225	\$225	\$0
	Self-Help and Assisted Homeownership Opportunity Program	\$63	\$63	\$55
	Homeless Assistance Grants	\$3,633	\$3,633	\$4,060
<b>Subtotal CPD</b>		<b>\$12,317</b>	<b>\$12,317</b>	<b>\$8,800</b>
Other	Policy Development and Research	\$145	\$145	\$156
	Fair Housing and Equal Opportunity	\$86	\$86	\$86
	Office of Lead Hazard Control and Healthy Homes	\$410	\$410	\$350
<b>Subtotal Other</b>		<b>\$642</b>	<b>\$642</b>	<b>\$592</b>
Mgmt & Admin	HUD Salaries and Expenses	\$1,732	\$1,732	\$1,909
	Government National Mortgage Association (Ginnie Mae) <sup>4</sup>	\$40	\$40	\$67
	Information Technology Fund	\$375	\$375	\$419
<b>Subtotal Mgmt &amp; Admin</b>		<b>\$2,148</b>	<b>\$2,148</b>	<b>\$2,395</b>
OIG	Office of the Inspector General	\$146	\$146	\$160
<b>Subtotal OIG</b>		<b>\$146</b>	<b>\$146</b>	<b>\$160</b>
	Total Rescissions/Cancellations <sup>5</sup>	(\$24)	\$0	(\$155)
<b>Discretionary Total (Gross)</b>		<b>\$72,116</b>	<b>\$72,140</b>	<b>\$72,616</b>

<sup>4</sup> Excludes Ginnie Mae no-year budget authority.

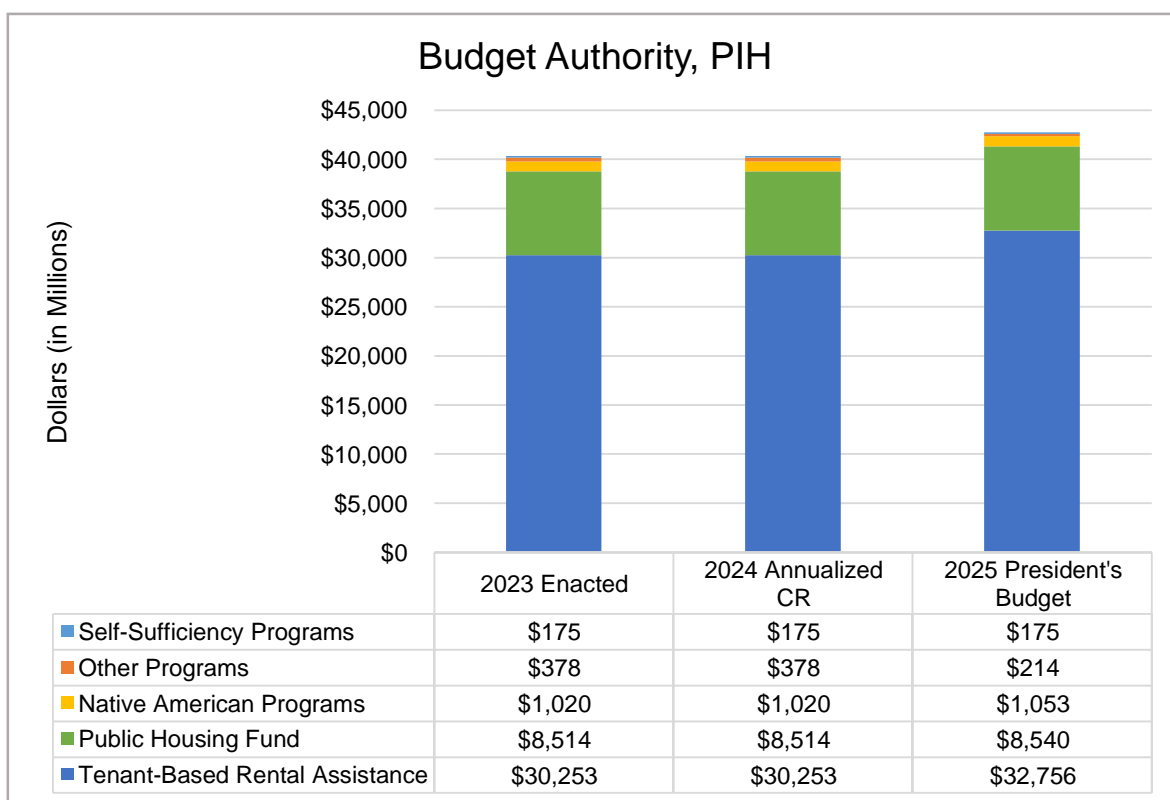
<sup>5</sup> 2023 includes rescissions per the Fiscal Responsibility Act. The 2025 Budget includes a proposed cancellation for OLHCHH.



## Office of Public and Indian Housing

The Office of Public and Indian Housing (PIH) oversees and monitors a range of programs that ensure stable and affordable housing is accessible to the most vulnerable and disadvantaged households. These programs provide rental assistance to low-income families, fund grants that improve public housing while reducing carbon emissions and health hazards, provide grants and loan guarantees that support affordable rental and owner-occupied housing for Native American and Native Hawaiian families, and increase employment opportunities and participants' earned income so families are able to reduce or eliminate their need for assistance.

The 2025 President's Budget requests \$42.7 billion for PIH, which is nearly \$2.4 billion more than the 2024 Annualized Continuing Resolution (CR) level.<sup>6</sup>



***Providing \$42.7 billion to help low-income Americans pay rent, expanding housing and services to more households, and modernizing HUD-funded housing.***

The Budget requests \$42.7 billion, of which \$41.3 billion is for rental assistance programs managed by the Office of Public and Indian Housing, including Tenant-Based Rental Assistance and the Public Housing Fund.

<sup>6</sup> In the "Budget Authority, PIH" chart, "Other Programs" includes Choice Neighborhoods, the Indian Housing Loan Guarantee Fund (Sec. 184), Native Hawaiian Housing Loan Guarantee Fund (Sec. 184A), Native Hawaiian Housing Block Grants programs, and the Operational Performance Evaluation and Risk Assessments Fund.

## TENANT-BASED RENTAL ASSISTANCE

Tenant-Based Rental Assistance (TBRA), commonly known as the Housing Choice Voucher (HCV) program, helps around 2.3 million extremely low- to very low-income households to rent housing in the private market. The Budget requests \$32.8 billion for TBRA, which is approximately \$2.5 billion more than the 2024 Annualized CR level, and assumes Public Housing Agencies (PHAs) will draw \$963 million from HCV program reserves. The HCV program seeks to provide greater access to housing of choice and better housing opportunities for very low- and extremely low-income families, reduce the number of homeless individuals, families, and veterans, and reverse the effects of residential segregation in the pursuit of racial equity. The 2025 Budget proposes \$241 million for approximately 20,000 new incremental vouchers to expand affordable housing and provide greater access to areas of opportunity. The new incremental vouchers will increase access to affordable housing and help HUD serve more low-income individuals and families across the country, including the elderly, persons with a disability, those that are experiencing or at-risk of homelessness, and survivors of domestic violence, dating violence, sexual assault, stalking, or human trafficking.

About 2,100 State and local PHAs administer the HCV program, and it is the largest income-targeted rental assistance program. HUD's [\*Worst Case Housing Needs: 2023 Report to Congress\*](#) reveals that among very low-income renter households that lacked assistance, 8.53 million had worst-case housing needs resulting from severe rent burdens (paying more than one-half of their monthly income for rent) or living in severely inadequate housing units.<sup>7</sup> Without rental assistance, these households would be at immediate risk of homelessness or would be forced to choose between decent housing and other life necessities, such as food, clothing, and medicine.

HCV assistance is primarily tenant-based, which means HUD ties the assistance to an individual household rather than a unit or property. If the family moves, it can use its rental assistance at another property that participates in or is willing to begin participating in the program. In addition to the tenant-based HCVs, PHAs in some areas are increasing their use of project-based vouchers (PBVs). This voucher is tied to the physical unit and ensures long-term affordability. PBVs have become a critical tool for preserving and adding to the affordable housing stock.

In October 2016, HUD published the results of the Family Options Study.<sup>8</sup> Launched in 2008, the study's goal was to determine which housing and service interventions work best for families with children experiencing homelessness. The study determined that the HCV program was the most effective intervention of the approaches tested. HCV intervention reduced most forms of residential instability by more than one-half, reduced food insecurity, and improved multiple measures of adult and child well-being.

## PUBLIC HOUSING FUND

The Budget requests \$8.5 billion for the Public Housing Fund, which is \$26 million more than the 2024 Annualized CR level. When paired with existing program reserves and increased shortfall funding to protect agencies with low operating reserves, HUD estimates that funding at this level will ensure that there are sufficient resources at every PHA to maintain current service levels. The Public Housing Fund supports the Public Housing program by providing Federal grants necessary for PHAs to operate, maintain, and make capital improvements to

---

<sup>7</sup> HUD's Worst Case Housing Needs Report, 2023 Report to Congress, available at: <https://www.huduser.gov/portal/sites/default/files/pdf/worst-case-housing-needs-2023.pdf>

<sup>8</sup> Family Options Study: Short-term Impacts of Housing Services Interventions for Homeless Families, available at: [https://www.huduser.gov/portal/portal/sites/default/files/pdf/FamilyOptionsStudy\\_final.pdf](https://www.huduser.gov/portal/portal/sites/default/files/pdf/FamilyOptionsStudy_final.pdf)

approximately 900,000 affordable public housing units in 2025, serving nearly 1.7 million residents in 856,000 households. Investing in public housing addresses racial inequities, as over two-thirds of public housing residents are people of color.

## NATIVE AMERICAN PROGRAMS

The Office of Native American Programs (ONAP) provides grants, loan guarantees, and technical assistance to benefit Native Americans throughout the country to help address their housing and community development needs. The 2025 Budget requests \$1.1 billion for Native American Programs, which is \$33 million more than the 2024 Annualized CR level. The Budget requests \$820 million for the Indian Housing Block Grant program (IHBG), the single largest source of Indian housing assistance, which is \$33 million more than the 2024 Annualized CR level. In addition, the Budget includes \$150 million for competitive grants, with the ability to prioritize awards to projects that seek to increase energy efficiency, improve water conservation, and further climate resilience improvements to be sustained over a longer period. The Section 184 program encourages private lending on and off Tribal trust land by guaranteeing home mortgage loans, which supports Native American families endeavoring to become homeowners. The program will support a credit loan level limitation of \$1.2 billion and will continue to meet demand.

## Other Highlights

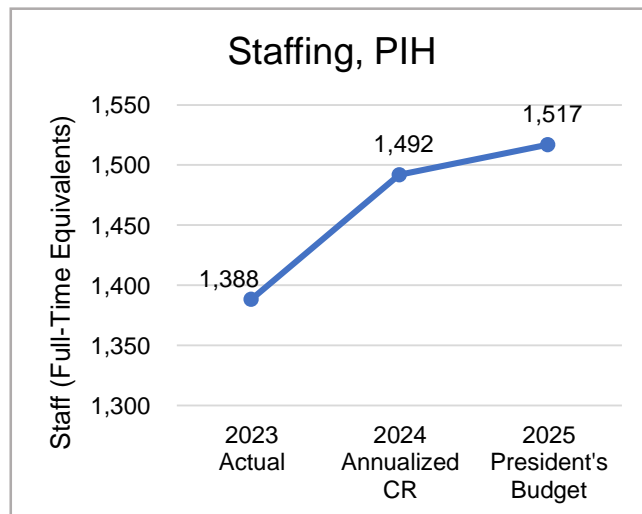
- **Rental Assistance Demonstration (RAD):** RAD is HUD's primary mechanism for leveraging private sector funds to fund needed repairs in public housing. The RAD program allows public housing properties to shift to the Section 8 PBV or PBRA platform. These project-based Section 8 programs can leverage private financing for modernization, generally resulting in higher-quality housing for assisted families. The 2025 Budget requests \$112 million – up to \$50 million in TBRA and \$62 million in PBRA – for conversions that promote the energy efficiency or climate resilience of properties. This will support the green modernization of public housing and Housing for the Elderly (Section 202) properties that are unable to fund such improvements using only resources currently provided through Public Housing or Section 202 appropriations.
- **Health Hazards in Public Housing:** Within the Public Housing Fund, \$67 million is designated for competitive grants to remove lead-based paint hazards from public housing and to help PHAs identify and eliminate other housing-related health and safety hazards, such as fire, mold, carbon monoxide, radon, and other housing hazards. PIH and the Office of Lead Hazard Control and Healthy Homes will collaborate across their programs to ensure the health and safety of families living in public housing.
- **Self-Sufficiency Programs:** The Budget proposes \$175 million for Self-Sufficiency Programs. This includes three programs: Family Self-Sufficiency (FSS), Jobs Plus Initiative, and Resident Opportunity and Self-Sufficiency (ROSS). The Budget proposes \$125 million for FSS, which will fund approximately 1,470 coordinators to support the FSS program's aim of increasing participants' earned income and building their assets. The Budget proposes \$15 million to fund up to nine grants for Jobs Plus, which increases employment opportunities and earnings of public housing residents through a three-pronged approach of employment services, rent-based work incentives, and community support for work. The Budget proposes \$35 million to fund 137 existing ROSS service coordinators who provide vital services to over 62,000 public housing and NAHASDA-assisted residents. In addition, the Budget will fund approximately 14 new ROSS grantees. ROSS assists not just work-able families, but also elderly and disabled

residents. In addition to funding PHAs, ROSS has the unique ability to provide grant funding to Tribes, non-profits, and Residents' Associations.

- **Improve Voucher Utilization and Leasing:** The Budget requests the authority to enable PHAs to use more resources to provide critically needed housing search assistance, such as security and utility deposit assistance and other landlord incentives. This will help more families in tight rental markets obtain affordable housing in lower poverty areas.
- **Choice Neighborhoods:** The Budget requests \$140 million for the Choice Neighborhoods program, which helps communities redevelop severely distressed public and/or HUD-assisted housing and the surrounding neighborhood, while providing resident amenities and services focused on workforce development, health, and education.
- **Operational Performance Evaluation and Risk Assessments (OPERA):** The Budget requests \$50 million for OPERA, a fund that would centralize costs and operational responsibilities for inspections and other activities supporting evaluations and assessments (e.g., data analytics, training of inspectors, evaluations, and assessments) for HUD-supported properties. Currently, inspections are funded out of multiple accounts. This alignment would eliminate the complexities and inefficiency of funding assessment and evaluation activities across multiple program accounts. The OPERA account would provide HUD with more flexibility and responsiveness as HUD's rental housing assistance portfolio continues to evolve, while ensuring increased consistency and quality across programs.

## Salaries & Expenses

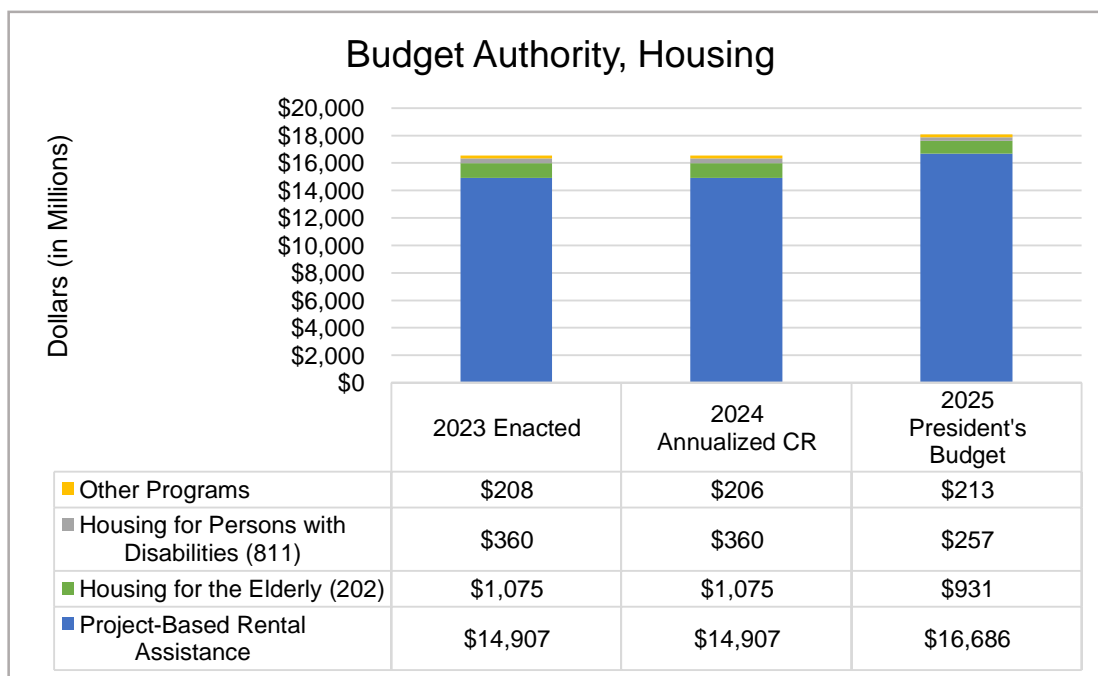
The Budget requests \$296.8 million for PIH S&E. The Budget, including carryover, supports 1,517 FTEs. This funding supports efforts to sustain the quality, safety, and accessibility of affordable housing for low-income residents and strengthen HUD's internal institutional capacity and efficiency to deliver on its mission.



## Office of Housing

The Office of Housing provides essential support to the Nation's housing economy, homeowners, renters, and communities. Its major programs provide: mortgage insurance for single-family homes, multifamily properties, and healthcare facilities; rental assistance to low- and very low-income households, including the elderly and persons with disabilities; counseling to individuals and families to help them obtain, sustain, and improve their housing stability and financial health; and regulation of the design and construction of manufactured homes across the country. With both housing supply and affordability at historic lows, the work of the Office of Housing is of the utmost importance for supporting the needs of individuals and families across the country.

The 2025 President's Budget requests \$18.1 billion for the Office of Housing, which is \$1.5 billion more than the 2024 Annualized CR level.<sup>9</sup>



### ***Providing \$18.1 billion to help people, including America's most vulnerable, obtain decent, safe, and affordable housing.***

The Budget requests \$18.1 billion, of which \$17.9 billion is for rental assistance programs managed by the Office of Housing, including Project-Based Rental Assistance, Housing for the Elderly (Section 202), and Housing for Persons with Disabilities (Section 811). This funding level provides 1.4 million low-income households with rental assistance, giving some of the Nation's most vulnerable populations access to safe and affordable rental homes.

<sup>9</sup> In the "Budget Authority, Housing" chart, "Other Programs" includes the following programs: MMI Contract Expenses, Manufactured Housing, and Housing Counseling Assistance.

## PROJECT-BASED RENTAL ASSISTANCE (PBRA)

The Budget requests \$16.7 billion for PBRA. While this represents a \$1.8 billion increase over the 2024 Annualized CR level, the increase primarily supports assistance contract renewals. Without this assistance, many currently affordable properties would either convert to market rates or would be unable to generate enough rental income to be properly maintained and in satisfactory condition. The PBRA program provides approximately 1.3 million units of decent, safe, and affordable housing for low-income and very low-income families, including some of the nation's most vulnerable populations. Approximately, 52 percent of assisted households in the PBRA program are headed by elderly persons, 15 percent by non-elderly persons with disabilities, and 22 percent by females with children.

## HOUSING FOR THE ELDERLY (SECTION 202)

The Budget requests \$931.4 million for Section 202 Housing for the Elderly program, which is \$143.6 million less than the 2024 Annualized CR level. The Section 202 program supports nonprofit entities in building and operating affordable housing for approximately 120,000 households headed by very low-income elderly tenants. Housing through Section 202 provides seniors with options that allow them to live independently and in an environment that provides connection to supportive services such as cleaning, cooking, and transportation.

## HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)

The Budget requests \$256.7 million for the Section 811 Housing for Persons with Disabilities program, which is \$103.3 million less than the 2024 Annualized CR level. The Section 811 program provides project-based 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. Funding will provide renewal rental assistance for approximately 33,000 rental homes requiring renewal or amendment from January through December 2025.

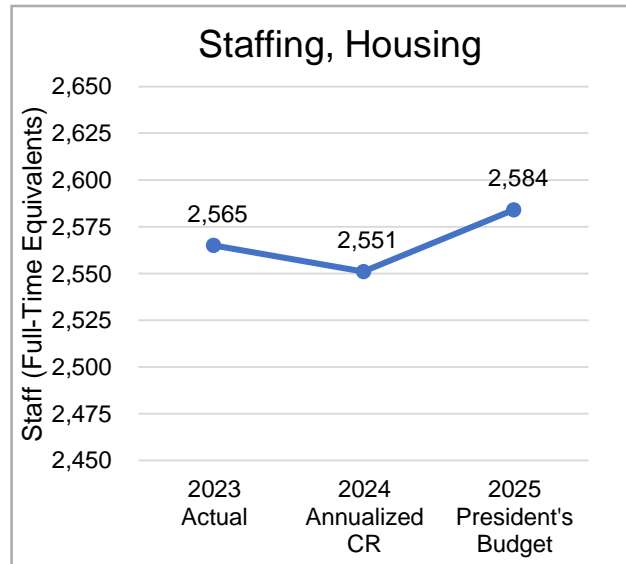
## Other Highlights

- **Housing Counseling Assistance:** The Budget requests \$57.5 million for Housing Counseling Assistance. Funding at this level will allow the HUD-approved network of 1,550 housing counseling agencies to serve one million consumers across the nation. Many of these clients are from marginalized, rural, underserved, and Tribal communities. Funding at this level includes \$3 million that will be used to continue increasing the participation of Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions in HUD's Housing Counseling program.
- **Federal Housing Administration (FHA):** The Budget requests \$155 million for contracts supporting the administration of FHA programs. The Budget also requests \$400 billion in loan guarantee commitment authority to provide mortgage insurance for single-family loans under the Mutual Mortgage Insurance (MMI) Fund. It also requests \$35 billion in loan guarantee commitment authority under the General and Special Risk Insurance (GI/SRI) Fund to insure mortgages for multifamily housing, residential healthcare facilities and hospitals, and Title I manufactured housing and property improvement loans. In addition, the Budget would authorize Ginnie Mae to securitize affordable multifamily loans made by Housing Finance Agencies (HFAs) and insured under the Federal Housing Administration's Risk-Sharing program. This would permanently address the critical need for a stable and low-cost source of capital and enhanced market liquidity for this form of affordable housing.



## Salaries & Expenses

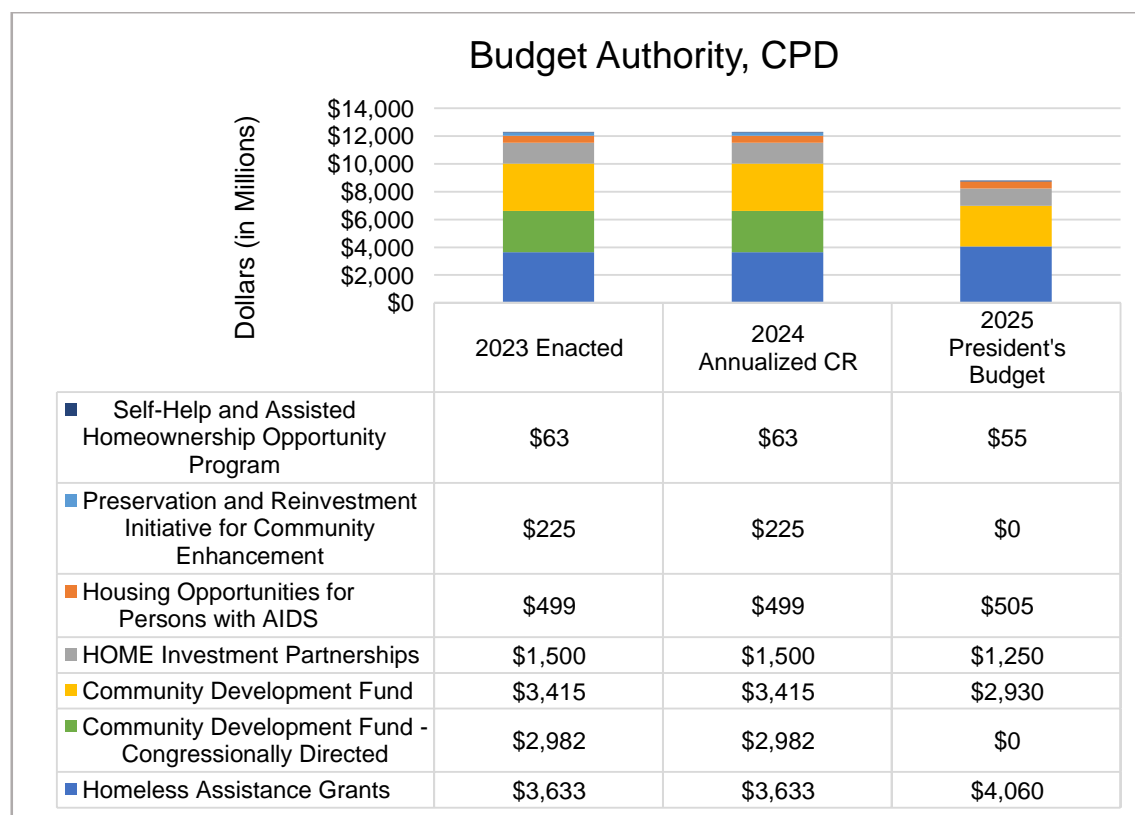
The Budget requests \$509 million for Office of Housing S&E. The Budget, including carryover, supports 2,584 FTEs, including FHA personnel. This funding provides essential resources for staff to manage subsidized and insured properties, protect the housing safety net for millions of families nationwide, increase the supply of affordable housing, and support equitable homeownership and the national mortgage insurance market.



# Office of Community Planning and Development

The Office of Community Planning and Development (CPD) promotes viable communities by administering programs and developing partnerships with State, local, and Tribal governments, non-profits, and the private sector to enable underserved communities to have access to affordable homes, support services, and economic opportunities. The CPD portfolio of flexible programs for housing and community development are targeted specifically toward low-income families and vulnerable populations. From ensuring that communities have access to basic infrastructure such as clean drinking water to building affordable housing and enabling citizens to have a stable home to addressing the urgent needs of those suffering from homelessness and disasters, CPD plays a vital mission in facing the Nation's challenges. CPD is implementing operational efficiencies to save costs while implementing programs to meet local demands.

The 2025 President's Budget requests \$8.8 billion for CPD, which is \$3.5 billion less than the 2024 Annualized CR level.<sup>10</sup> The 2025 Budget does not provide funding in the Community Development Fund for Congressionally-directed Community Projects, which were funded at \$2.98 billion in 2023 and under a 2024 Annualized CR.



***Providing \$8.8 billion to create greater access for individuals and families to safe and decent housing, necessary services, and economic opportunity within communities.***

<sup>10</sup> In the "Budget Authority, CPD" chart, 2023 totals for the Community Development Fund do not include \$2 billion of disaster assistance funding enacted in the 2023 Continuing Resolution (P.L. 117-180) and \$3 billion of disaster assistance funding enacted in the 2023 Consolidated Appropriations Act (P.L. 117-328).

## HOMELESS ASSISTANCE GRANTS

The Budget requests \$4.1 billion for Homeless Assistance Grants (HAG), which is \$427 million more than the 2024 Annualized CR level. These funds are key to addressing homelessness nationwide, which declined by nine percent between 2010 and 2022 but increased by 12 percent in 2023.<sup>11,12</sup> HAG funds allow HUD to serve vulnerable individuals and families who are homeless or at risk of homelessness through a wide variety of services and housing interventions, including homelessness prevention, emergency shelter, rapid re-housing, transitional housing, and permanent supportive housing.

HAG funds have been a critical resource for addressing the threat of COVID-19 to people experiencing homelessness. These efforts have demonstrated the importance of coordinating with key partners, especially in the mainstream housing and healthcare sectors, as partnerships have proven to be vital in addressing the rising number of people experiencing unsheltered homelessness. Through this funding, HUD is helping localities guide people from homelessness to stability and dignity.

The Budget includes:

- \$3.7 billion for Continuum of Care (CoC) Program renewal grants, enabling HUD to continue to serve over 750,000 people experiencing homelessness each year, including \$52 million for new grants that provide rapid re-housing projects and services for persons experiencing trauma or a lack of safety related to domestic violence, dating violence, sexual assault, and stalking.
- \$82 million for new Youth Homelessness Demonstration Program grants, which will provide more communities with resources to build partnerships and provide collaborative solutions tailored to the unique needs of youth experiencing homelessness.
- \$290 million for the Emergency Solutions Grants Program, which supports over 450,000 persons through life-saving activities such as homelessness prevention, emergency shelters, rapid re-housing and other services.
- \$10 million for the National Homeless Data Analysis Project, which includes the Homeless Management Information System, data analysis, and technical assistance.
- The planned use of approximately \$100 million in program recaptures to fund coordinated interventions to support nearly 11,000 additional homeless individuals and families.

## COMMUNITY DEVELOPMENT FUND

The Budget requests \$2.93 billion for the Community Development Fund. It includes \$2.9 billion for the Community Development Block Grant (CDBG) formula program with up to \$100 million for competitive grants for Pathways to Removing Obstacles (PRO) Housing, and \$30 million for Recovery Housing.

CDBG funding is often used in association with other HUD grants and Federal funding on locally-driven projects that also further the Administration's policy priorities. In 2023 alone, the CDBG program: served 62,000 families by providing direct homeownership assistance and funding for the rehabilitation of homes; provided benefits to more than 52,000 people through

---

<sup>11</sup> Department of Housing and Urban Development. The 2022 Annual Homeless Assessment Report to Congress, Part 1.

<sup>12</sup> Part 1 of the 2023 AHAR can be accessed online at: <https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html>. Part 2 of the 2021 AHAR can be accessed online at: <https://www.huduser.gov/portal/datasets/ahar/2021-ahar-part-2-pit-estimates-of-homelessness-in-the-us.html>.

improvements to homeless facilities; and helped more than 25,500 individuals find permanent employment or keep the full-time jobs they were at risk of losing. Funding also assisted more than 5.4 million people, providing operating costs of homeless and HIV/AIDS patients programs, senior services, food banks, services for the disabled, youth services, transportation services, and general health or mental health services.

PRO Housing grants will be competitively awarded to State and local governments, metropolitan planning organizations, and multijurisdictional entities for the identification and removal of barriers to affordable housing productions and preservation. Eligible uses of such grants include activities that further develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate housing production and preservation. HUD will prioritize applicants that demonstrate: 1) progress toward and a commitment to overcoming local barriers to facilitate the increase in affordable housing production and preservation; and 2) an acute demand for housing affordable to households with incomes below 100 percent of the area median income. The grants will reward applicants that have made progress in updating zoning codes, land use policies, and housing infrastructure that will ultimately increase the supply of affordable housing.

Finally, in response to stakeholder input received via the Request for Information published in 2023, and consistent with the key principles for CDBG-DR authorization included in the 2025 President's Budget, HUD is requesting the permanent authorization of the CDBG-DR program to improve transparency, predictability, and timely delivery of CDBG-DR funds.

## **HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME PROGRAM)**

The Budget requests \$1.25 billion for the HOME Investment Partnerships Program (HOME), which is \$250 million less than the 2024 Annualized CR level. This includes up to \$50 million for the FirstHOME Downpayment Assistance initiative to States and insular areas to better ensure sustainable homeownership.

HOME is one of the primary Federal tools State, local, and Tribal governments have for the production and preservation of affordable rental and owner-occupied housing for low-income to extremely low-income families, including mixed-income housing and housing for homeless and persons with HIV/AIDS. For many States and local governments, HOME is the only reliable stream of affordable housing development funds available to them.

HOME funds at the requested funding level will: result in 10,295 units of affordable housing for new homebuyers; provide 7,786 units of newly constructed and rehabilitated affordable rental units; allow 4,006 units of owner-occupied rehabilitated housing for low-income homeowners; and provide 6,204 low-income households with HOME tenant-based rental assistance. In addition, this level of funding would preserve or create approximately 22,338 jobs.

The HOME Budget includes a set-aside of up to \$50 million for the FirstHOME Downpayment Assistance initiative. It aims to support sustainable homeownership among first-generation and/or low- and moderate- income first-time homebuyers while piloting programmatic flexibilities and innovations in subsidy delivery. The funding, which would go to State, Tribal, and insular areas, would help households overcome one of the most significant obstacles to homeownership – the required down payment. The home equity established at time of purchase reduces the likelihood of default and foreclosure, creating stability for both the household and the community.

## **HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)**

The Budget requests \$505 million for HOPWA, which is \$6 million more than the 2024 Annualized CR level. Ending the HIV epidemic in the United States has long been an

aspirational goal. Due to recent advances in science and continued investment in treatment and effective interventions, including the provision of housing and supportive services through the HOPWA program, this goal is finally within reach. HOPWA provides stable and permanent housing assistance and supportive services to low-income people living with HIV/AIDS. The goal of HOPWA is to ensure eligible families can obtain and maintain stable housing, increase their connections to care and support, help them become healthy and virally suppressed, and ultimately end the HIV epidemic in the United States. HUD estimates that communities will be able to provide access to affordable housing for 46,100 vulnerable households living with HIV. In addition to affordable housing, an estimated 52,400 households will receive supportive services to ensure housing stability.

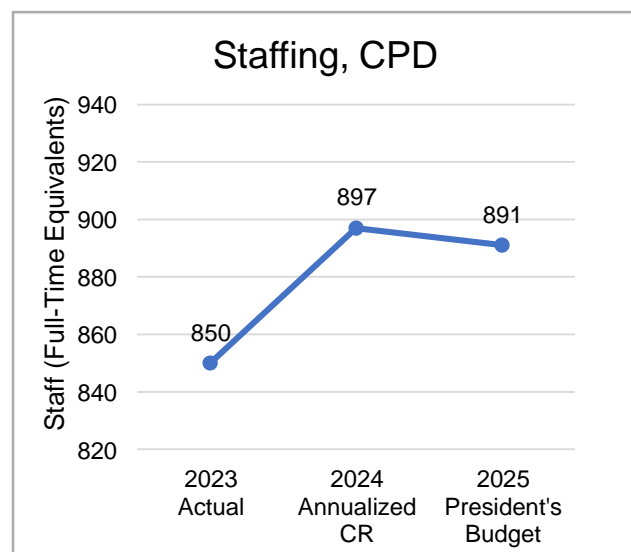
## SELF-HELP AND ASSISTED HOMEOWNERSHIP OPPORTUNITY PROGRAM (SHOP)

The Budget requests \$54.7 million for SHOP, which is \$7.8 million less than the 2024 Annualized CR level. Included in this amount:

- \$40.7 million to support the Section 4 Capacity Building for Community Development and Affordable Housing Program, which provides grants for enhancing the capacity of local organizations to provide affordable housing and community development activities that benefit low- and moderate-income families and persons. These activities include green building, development of healthcare and childcare facilities, strengthening of neighborhood commercial corridors, job creation, and community safety.
- \$5 million for the Rural Capacity Building Program, which enhances the capacity and ability of rural housing development organizations, CDCs, CHDOs, local governments, and Indian Tribes (eligible beneficiaries) to carry out affordable housing and community development activities in rural areas. These activities would address markedly low homeownership, and declining renovations and new construction in rural areas.
- \$9 million for SHOP where, through a Notice of Funding Opportunity, funding would be awarded to grantees to be used for eligible expenses to develop decent, safe, and sanitary dwellings and comply with state and local codes, ordinances, and zoning requirements, and with all other SHOP requirements.

## Salaries & Expenses

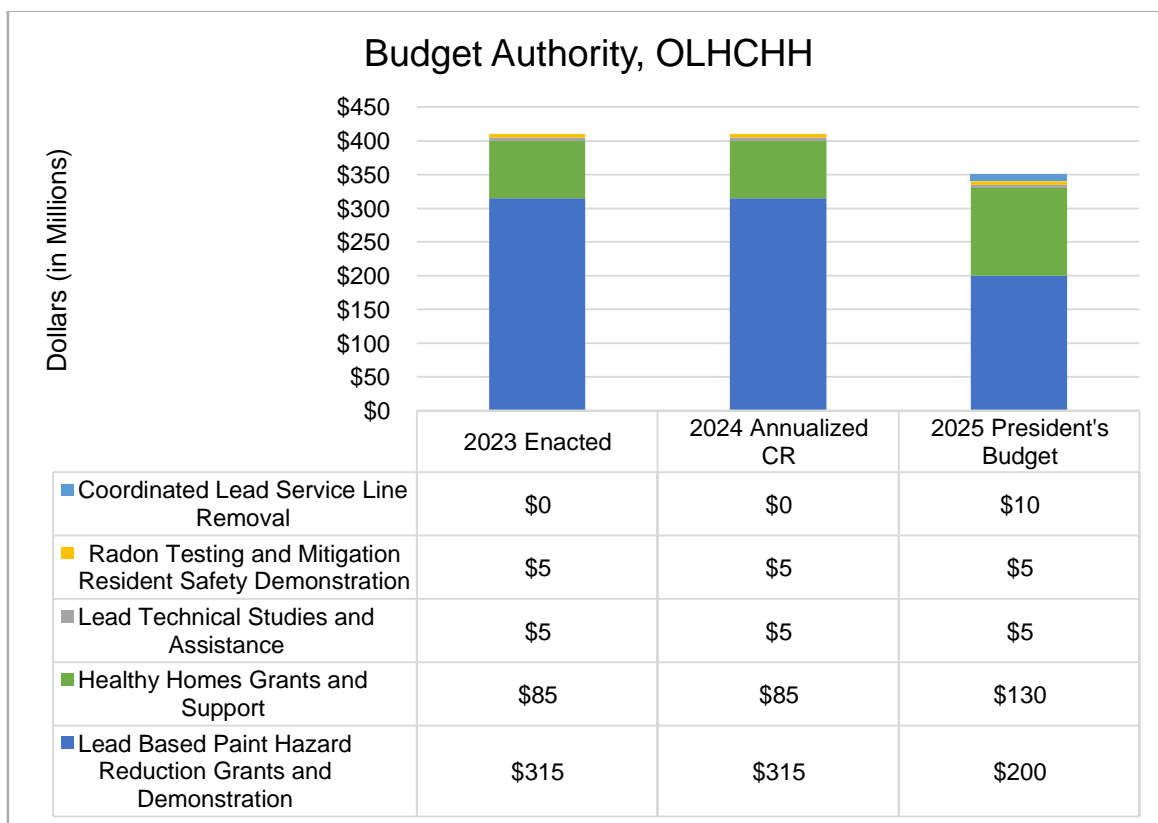
The Budget requests \$180 million for CPD S&E. The Budget, including carryover, supports approximately 891 FTEs. This funding will enable CPD to maintain recent improvements in core workload management relating to grant administration, reducing homelessness, mitigating risks, improving oversight of performance and data, and enhancing customer experience. These resources will also support disaster-recovery operations, administration of supplemental programs, congressionally-driven grants, and the Departmental functions of Environmental Review and Uniform Relocation Assistance.



## Office of Lead Hazard Control and Healthy Homes

The Office of Lead Hazard Control and Healthy Homes (OLHCHH) provides funds to State, Tribal, and local governments, and nonprofit organizations to develop and implement cost-effective ways to reduce lead-based paint and other housing-related health and safety hazards in homes of low-income families. In addition, OLHCHH enforces HUD's lead-based paint regulations, provides public outreach and technical assistance on issues regarding housing and health, and conducts technical studies to develop and evaluate cost-effective methods to protect children and their families from health and safety hazards in the home.

The 2025 President's Budget requests \$350 million for OLHCHH, which is \$60 million less than the 2024 Annualized CR level. Some programs funded under the Lead Hazard Reduction account have experienced undersubscription in recent fiscal years due in part to the competing demands and challenges faced by local public health systems that would typically apply for funding to remediate lead and make healthy homes investments in low-income housing. The Department proposes a cancellation of prior-year unobligated balances.



***Removing dangerous hazards from homes with \$417 million in grants and technical development.<sup>13</sup>***

<sup>13</sup> The Budget requests \$350 million within the Lead Hazard Reduction account; this includes \$10 million for lead service line replacement. An additional \$67 million related to identifying and mitigating housing-related health and safety hazards is requested in PIH's budget for public housing, for a total of \$417 million within HUD's Budget.



Every family deserves a safe and healthy home. The Budget will reduce lead-based paint hazards, carbon monoxide exposure risks, and elevated radon levels, among a range of hazards, and promote climate resilience and environmental justice, resulting in safer and healthier homes, especially homes of low-income families in disadvantaged communities.

## LEAD HAZARD REDUCTION GRANTS AND TECHNICAL DEVELOPMENT

Lead-based paint in housing presents one of the largest threats to the health, safety, and future productivity of America's children, with over 26 million homes (44 percent of the homes) built before 1978, when its new use was banned, having significant lead-based paint hazards.<sup>14</sup>

The Budget requests \$200 million for the OLHCHH's two main programs, the Lead-Based Paint Hazard Reduction and Lead Hazard Reduction Demonstration grant programs. The programs share the same goal to make privately owned low-income unassisted older housing lead safe, with the latter program focusing on communities with more older housing. In an innovation for 2025, HUD is proposing that 80 percent (\$160 million) of the requested funds be awarded using a formula rather than the traditional, and procedurally more complex to apply for and award, competitive grants. The new program design would allow more efficient distribution of funding to the highest need communities, streamline the selection and award of grants for communities facing large lead paint problems, and help maximize funding utilization when complemented by competitive grants.

The Lead Hazard Reduction Demonstration grant program (begun in 2003) focuses on cities, counties, parishes, and other units of local government with the most pre-1940 rental housing and highest rates of childhood lead poisoning cases. All \$100 million for the Lead-Based Paint Hazard Reduction Demonstration is requested for formula grant awards. In contrast, the original Lead Hazard Reduction grant program (begun in 1993) is open to a broader range of States, Native American Tribes, and communities with pre-1978 rental housing. Out of the \$100 million total requested, \$60 million is requested for formula grant awards and \$40 million for competitive grant awards. Funding is projected to make the housing units enrolled in these programs lead-safe at an average of \$14 thousand per unit. In rigorous evaluations, HUD has determined that these programs reduce children's blood lead levels and that the hazard controls are effective in the long term.<sup>15,16</sup>

For the Lead Technical Studies and Support program, the Budget requests \$5 million to develop detection, evaluation, and control technologies regarding lead hazards, and provide the basis for the building, housing, scientific, and public health communities to address the hazards more efficiently and broadly. The technical studies and assistance activities are conducted through grants, cooperative agreements, and contracts, and include technical support and training, grant management and evaluation tools, and interagency collaboration projects.

## HEALTHY HOMES GRANTS AND SUPPORT

The Budget requests \$130 million for Healthy Homes Grants and Support, which is \$45 million more than the 2024 Annualized CR level. This proposed increase reflects the high interest in Healthy Homes programs by state and local governments and by nonprofit organizations that focus on housing and health issues. This includes \$58 million for Healthy Homes Supplements

---

<sup>14</sup> As determined by OLHCHH's American Healthy Homes Survey II (2021).

<sup>15</sup> Clark S, et al. Effects of HUD-supported lead hazard control interventions in housing on children's blood lead. *Env. Research.* 111(2):301–311 (2011).

<sup>16</sup> Dixon SL, et al. Window replacement and residential lead paint hazard control 12 years later. *Env. Research.* 113(1):14-20 (2012).

to the Lead Hazard Reduction and Lead Hazard Reduction Demonstration grant programs to mitigate multiple health hazards that contribute to asthma, cancer, and unintentional injuries in 11,600 homes. Of the \$58 million, \$46 million will be awarded proportionally to Lead Hazard Reduction and Lead Hazard Reduction Demonstration formula grantees. This also includes \$20 million for the Healthy Homes Production Grant Program to identify and correct housing-related health and safety hazards besides lead-based paint in another 4,300 homes.

The remaining \$52 million of the Healthy Homes funding includes:

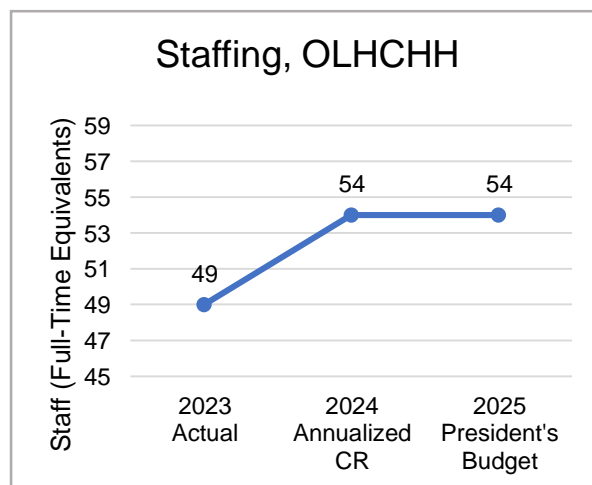
- \$5 million in grants to demonstrate whether the coordination of Healthy Homes remediation activities with weatherization activities achieves cost savings and better outcomes in improving home safety and quality.
- \$7 million in Healthy Homes Technical Studies grants, cooperative agreements, and contracts.
- \$40 million in Aging in Place Modification grants to treat housing-related health and safety hazards in the homes of low-income seniors to help enable them to age in place.

## Other Highlights

- The Budget includes \$5 million in grants for radon testing and mitigation in public housing. The continuation of this resident safety demonstration would allow more public housing agencies to mitigate elevated radon levels and provide HUD with additional implementation information for consideration of subsequent steps in addressing radon in public housing.
- The Budget also proposes \$10 million in grants to communities to replace lead service lines to HUD-assisted housing and investigate the efficiencies of coordinating with public water services to replace lead service lines in conjunction with the investments under the Bipartisan Infrastructure Law.

## Salaries & Expenses

The Budget requests \$11.7 million for OLHCHH S&E. The Budget, including carryover, supports 54 FTEs. These resources will enable OLHCHH to effectively support the Lead Hazard Control and Healthy Homes grant and contract programs in 2025.



# Government National Mortgage Association

The Government National Mortgage Association (Ginnie Mae) provides a full faith and credit guaranty of the U.S. government on mortgage-backed securities (MBS) collateralized by loans insured or guaranteed by Federal lending programs that serve historically underserved communities. Ginnie Mae connects the United States housing market to the global capital markets, acting as a multiplying force so Federal housing programs can reach even more borrowers, helping millions of households access affordable capital and housing.

In 2023, Ginnie Mae and its insuring agency partners supported financing for nearly 630,000 first-time homebuyers. Chartered as a government corporation within HUD, the Ginnie Mae guaranty of timely payment of principal and interest to MBS investors enables mortgage lenders to obtain favorable prices for their mortgage loans in the secondary mortgage market. Lenders can use the proceeds to make new mortgage loans to first-time homebuyers, veterans, rural and Tribal communities, and low-to-moderate income households.

## PROMOTING HOMEOWNERSHIP BY CREATING A MORE ACCESSIBLE AND INCLUSIVE HOUSING FINANCE SYSTEM

For 55 years, Ginnie Mae has helped tens of millions of American households access affordable mortgage lending, homeownership, and rental housing opportunities, with a particular focus on historically underserved communities. Since its inception, Ginnie Mae has guaranteed approximately \$10.2 trillion in MBS, and as of 2023 has a portfolio of roughly \$2.5 trillion in outstanding principal balance.

Ginnie Mae By the Numbers – 2023	
Securities Outstanding:	\$2.5 trillion (record high)
New Securities Issued:	\$404.6 billion
Homes Financed:	1.2 million units
Total Loans Outstanding:	11.5 million active loans
All Overseen By:	191 FTEs

The 2025 Budget requests \$550 billion in commitment authority, which is \$350 billion less than the 2024 Annualized CR level.

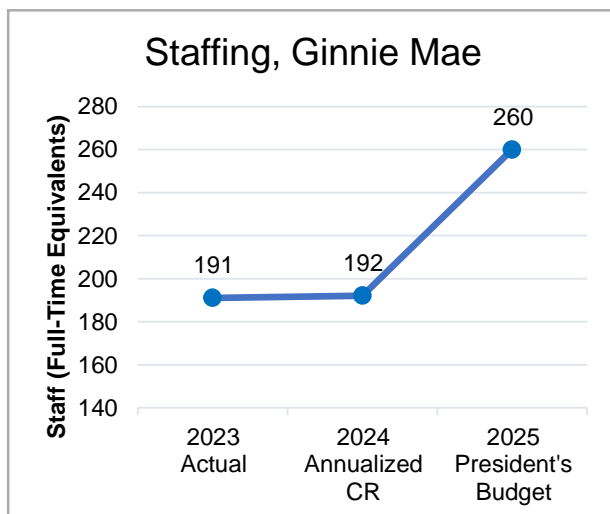
While the Budget reflects a projected reduction in commitment authority sales due to a shifting economic environment, it provides funding for approximately two million loans to borrowers under Federal loan programs.

In addition, the Budget would authorize Ginnie Mae to securitize affordable multifamily loans made by Housing Finance Agencies (HFAs) and insured under the Federal Housing Administration's Risk-Sharing program. Authorizing securitization in support of this multifamily housing program would permanently address the critical need for a stable and low-cost source of capital and enhanced market liquidity for this form of affordable housing.

## Salaries & Expenses

The 2025 Budget requests \$67 million for Ginnie Mae S&E, which is \$26.6 million more than the 2024 Annualized CR level.

This investment will allow Ginnie Mae to continue to afford to onboard staff, backfill critical vacancies, and expand on very limited management and staffing capacity. The Federal staff will assist in monitoring and mitigating identified mortgage market and Issuer risks, making critical program updates to address program and market needs and expectations, and supporting the Administration's strategic goals and key operational initiatives.



The Budget will support 260 full-time equivalents (FTEs), providing Ginnie Mae with critical staffing resources to drive initiatives to support the sustainability and stability of the mortgage market, advance equity and promote accessible and affordable housing, and execute on its guaranty. Key initiatives are categorized under the following strategies:

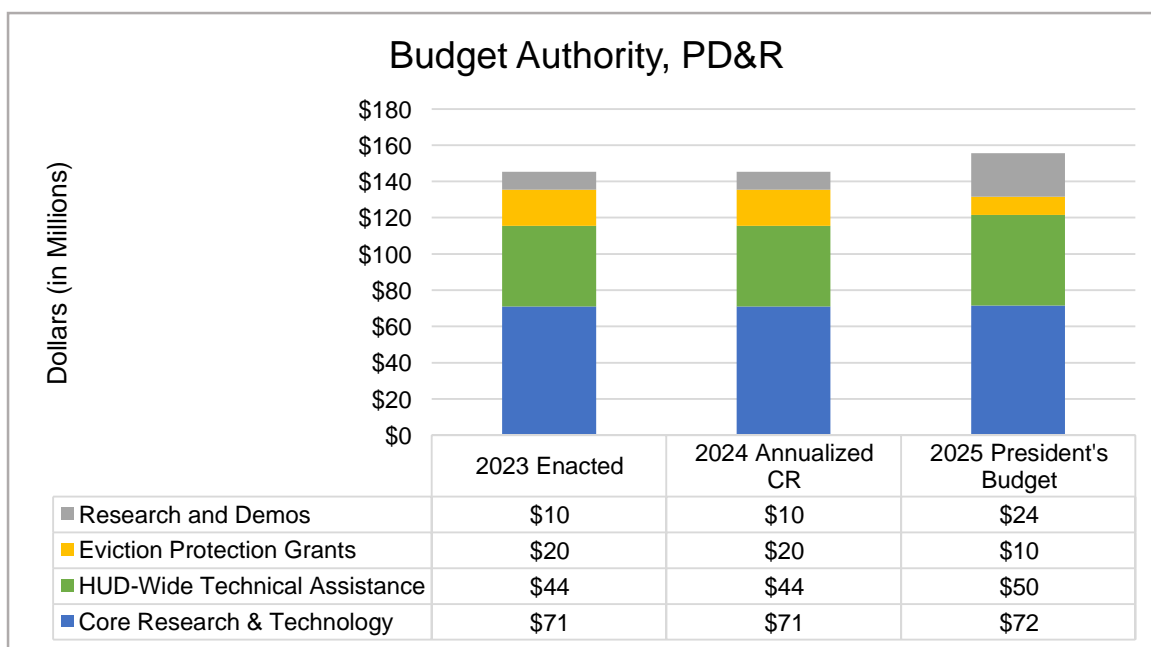
- **Broaden Housing Finance Availability:** Targeted investments to advance racial equity in the housing finance ecosystem, address the affordable housing shortage, and create wealth building opportunities for millions of low- to moderate-income (LMI) borrowers and renters. Such investments include creating a more inclusive housing finance system that allows smaller institutions such as Community Development Financial Institutions (CDFIs) to participate in Ginnie Mae programs and expanding data disclosures related to first-time homebuyers, LMI borrowers, and green and affordable multifamily housing.
- **Enhance the Value of the MBS Guarantee:** Initiatives to modernize the Ginnie Mae MBS platform and incent new demand for Ginnie Mae products which support new borrowers, such as the development of loan-level bifurcation, a document custodian module, and additional environmental, social, and governance disclosures for social impact initiatives that respond to investor demand.
- **Develop Operational Capacity:** Ginnie Mae's S&E funding request will also support hiring Federal employees dedicated to program maintenance and enhancements, including efforts to help stabilize and modernize the reverse mortgage program to support market liquidity and the sustainability of this critical tool for seniors.

Fundamentally, the 2025 Budget aims to safeguard the Ginnie Mae MBS Program which provides undeniable value for American borrowers, taxpayers, and the housing industry. Ginnie Mae must continue to grow its workforce as the size of its program grows and the housing market continues to navigate challenging market and economic conditions. Evolving the MBS platform and managing counterparty risk is critical for the continued engagement of both issuers and investors, and each year these necessary investments are not made the Government MBS guaranty program is left at a disadvantage. Ginnie Mae provides the only full faith and credit guaranteed MBS to investors, which effectively removes the credit risk for investors. This feature makes the Ginnie Mae MBS program invaluable in the global fixed income market and has supported first-time homeownership for millions of American households over the last 55 years.

## Office of Policy Development and Research

The Office of Policy Development and Research (PD&R) supports HUD's mission to create strong, sustainable, inclusive communities and quality affordable homes for all by: conducting, supporting, and sharing research, surveys, demonstrations, program evaluations, data, innovation, and best practices; supporting technical assistance for all of HUD's programs; and through grants to legal service organizations to assist tenants subject to or at risk of eviction. PD&R is responsible for maintaining current and historic information on housing needs, market conditions, and existing programs, as well as conducting research on priority housing and community development issues. PD&R's research, surveys, and policy analysis inform all aspects of HUD programs, providing a comprehensive, historical, evidence-based understanding of past program performance as well as objective data for policymakers and stakeholders to make informed decisions. PD&R's work enables the Congress, the Secretary, and other HUD principal staff to make informed decisions on budget and legislative proposals and strengthens housing and community development policy. PD&R also provides Technical Assistance (TA) resources to build the capacity of grantees and local governments and improve implementation of local projects and HUD-funded programs.

The 2025 President's Budget requests \$155.5 million for the Research and Technology (R&T) account, which is \$10.1 million more than the 2024 Annualized CR level.



***Providing \$155.5 million towards advancing research and technical assistance to support decision-making for HUD and its stakeholders and to support families at risk of eviction.***

### CORE RESEARCH AND TECHNOLOGY (CORE R&T)

The Budget requests \$71.5 million for Core R&T. Core R&T comprises three components: Housing Data Infrastructure; Knowledge Management, Dissemination, and Outreach; and Technical Expertise and Innovation. Through the Research Partnerships program and Centers

of Excellence grants for Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions, HUD is advancing equity, innovation and capacity building in housing and community development research.

**American Housing Survey (AHS):** The Budget requests funding to support HUD's collaboration with the Census Bureau to conduct the AHS. The AHS is the most detailed source of data about the housing stock, housing finance, and characteristics of markets, neighborhoods, and occupants, as well as housing insecurity.

## RESEARCH, EVALUATION, AND DEMONSTRATIONS (RED)

The Budget requests \$24 million for RED. PD&R seeks to prioritize these activities: 1) complete multi-year program demonstrations and evaluations; 2) inform and evaluate existing Departmental initiatives; and 3) advance strategic evidence-building priorities established in the Agency Learning Agenda.

**Climate Research:** The Budget includes up to \$5 million to fund research on energy efficiency, disaster preparedness, recovery, and resilience. This funding will support HUD's efforts to mitigate the effects of climate change and natural disasters on assisted populations and the housing stock.

## TECHNICAL ASSISTANCE

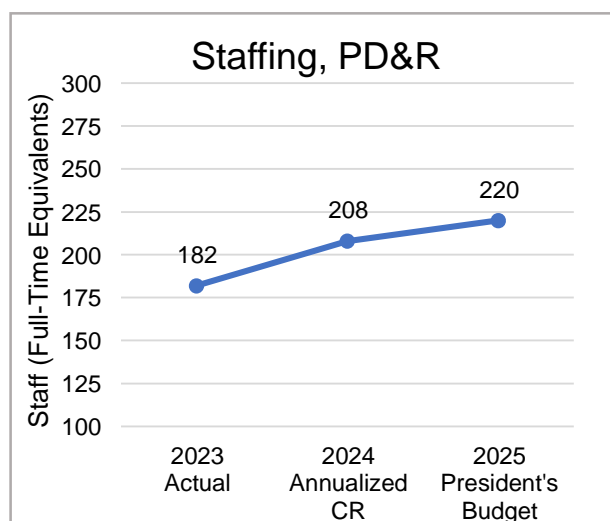
The Budget requests \$50 million for technical assistance, which ensures that HUD's partners receive the guidance, tools, and knowledge needed to implement programs and respond to the challenges of housing and community development practice, such as planning and capacity building to increase housing supply, improve fair housing outcomes, and reduce barriers to accessing HUD programs.

## EVICTION PROTECTION GRANT PROGRAM

The Budget requests \$10 million to continue to fund the Eviction Protection Grant Program, ensuring that grantees can provide a robust range of much-needed legal services to underserved populations.<sup>17</sup> HUD is currently finalizing a new Notice of Funding Opportunity to award 2023 funds. In previous competitions, HUD has received a high number of highly qualified, eligible applicants for these awards.

### Salaries & Expenses

The Budget requests \$45.3 million for PD&R S&E, supporting 220 FTEs. The Budget supports grants and program management for the Eviction Protection Grants program, fraud and risk oversight, data analysis, and administration of internal and external data-related activities across the Department.



<sup>17</sup> <https://www.huduser.gov/portal/eviction-protection-grant.html#overview>

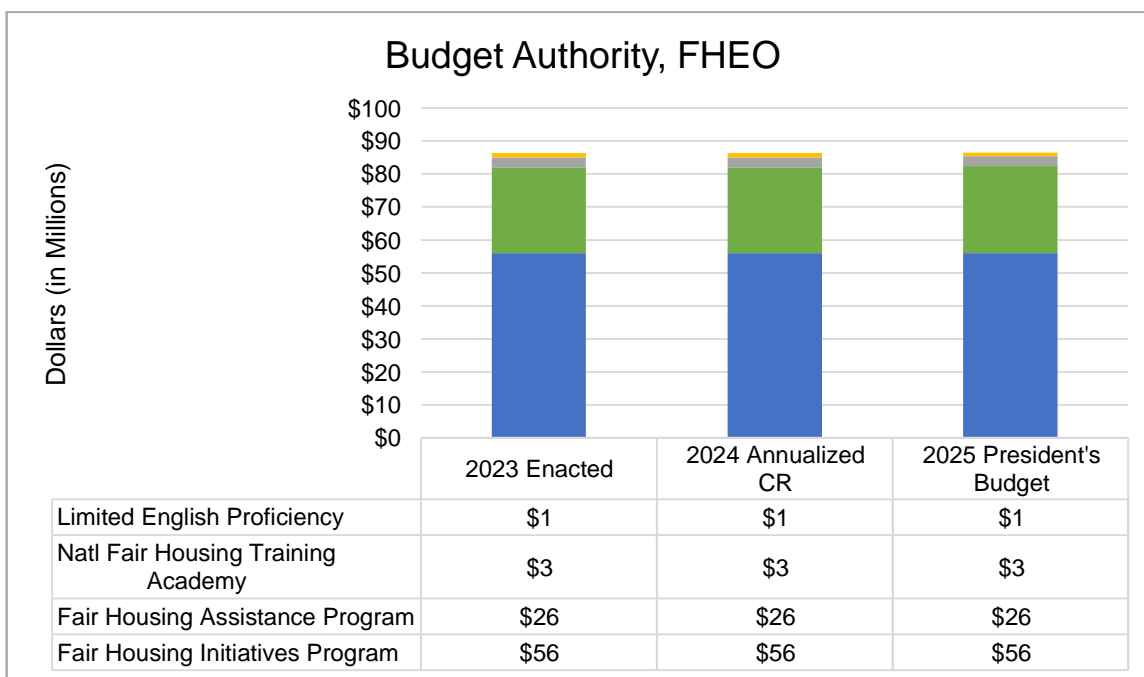


## Office of Fair Housing and Equal Opportunity

The Office of Fair Housing and Equal Opportunity (FHEO) fights to eliminate housing discrimination, promote economic opportunity, and achieve diverse, inclusive communities. It leads the Nation in the enforcement, administration, development, and public understanding of Federal fair housing and civil rights laws and policies. These laws protect people from discrimination based on race, color, religion, sex (including sexual orientation and gender identity), national origin, age, disability, and familial status, and provide remedies for victims of discrimination. In addition, FHEO ensures HUD's federally-conducted programs, activities, and grantees comply with Federal fair housing and civil rights laws and requirements. FHEO responsibilities include:

- Investigating fair housing, fair lending, civil rights, and Violence Against Women Act (VAWA) complaints from the public;
- Ensuring civil rights compliance in HUD's federally conducted and assisted programs;
- Administering a program that provides funding, support, and oversight to State and local agencies enforcing substantially equivalent fair housing laws;
- Increasing public awareness of housing and community development-related civil rights and responsibilities;
- Awarding and monitoring competitive grants to fair housing organizations.

The 2025 President's Budget requests \$86.4 million for fair housing programs, which is \$45 thousand more than the 2024 Annualized CR level.



***Providing \$86.4 million to fight housing discrimination.***

## FAIR HOUSING INITIATIVES PROGRAM (FHIP)

The Budget requests \$56 million for FHIP, which will provide support for fair housing enforcement and education and outreach activities conducted by approximately 118 private fair housing organizations. FHIP provides funding to eligible organizations under three initiatives: the Private Enforcement Initiative, the Fair Housing Organization Initiative, and the Education and Outreach Initiative. Additionally, FHIP funds are awarded for the Fair Housing Accessibility FIRST program that addresses accessible fair housing design and construction matters.

## FAIR HOUSING ASSISTANCE PROGRAM (FHAP)

The Budget requests \$26.4 million for FHAP, which provides funds for State and local civil rights enforcement agencies that administer fair housing laws. These laws provide rights, remedies, and procedures that are substantially equivalent to those in the Fair Housing Act. This funding will maintain HUD's commitment to this coordinated intergovernmental partnership to protect the fair housing rights of individuals and families.

## NATIONAL FAIR HOUSING TRAINING ACADEMY (NFHTA)

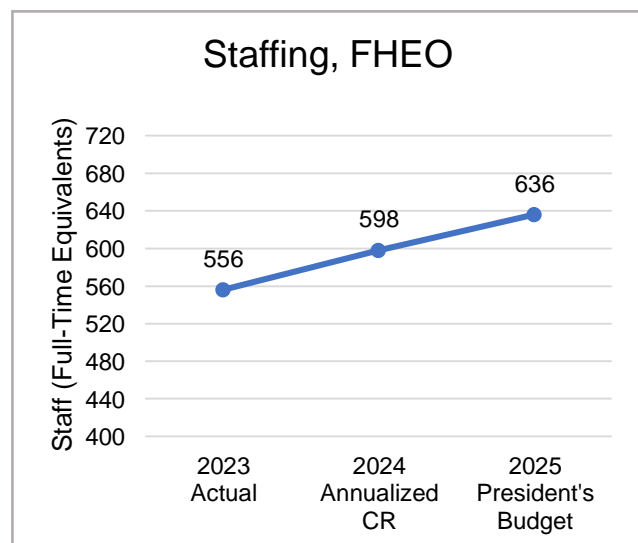
The Budget requests \$3 million for NFHTA, which will provide foundational courses on fair housing and offer trainings on emerging issues of national importance.

## LIMITED ENGLISH PROFICIENCY INITIATIVE (LEPI)

The Budget requests \$1 million for LEPI, which will support language assistance services, provide targeted customer-centric outreach materials in multiple languages, and expand community-focused outreach efforts on behalf of the Department. This funding supports HUD's commitment to maintain accessibility of HUD housing, services, programs, and activities to LEP individuals.

## Salaries & Expenses

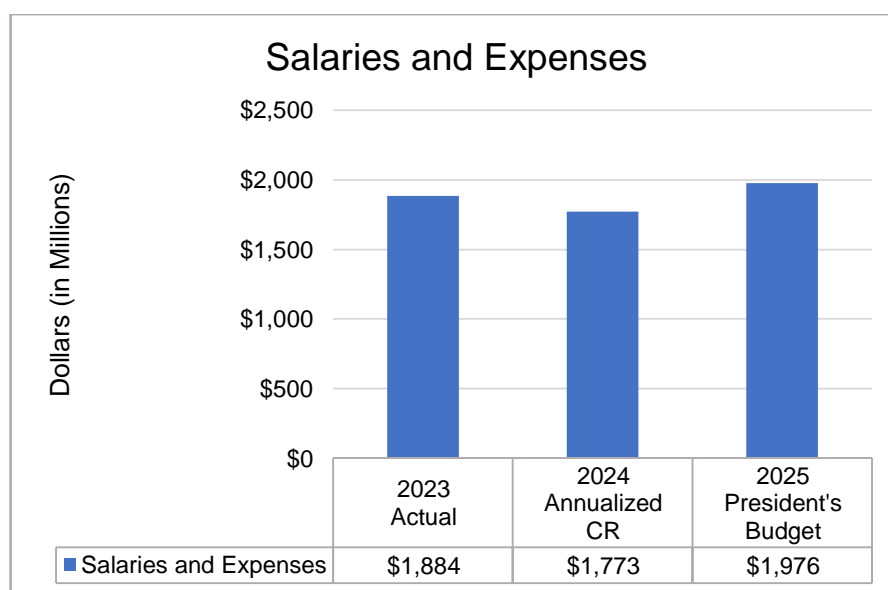
The Budget requests \$111.8 million for FHEO S&E. The Budget, including carryover, supports 636 FTEs. The goal of this funding is to sustain and bolster FHEO's staffing and ability to carry out its mission.



## Management and Administration

HUD operational infrastructure related to people, processes, and technology remains a top priority of the Department. Over the past few years, HUD has worked hard to advance Information Technology (IT) and cybersecurity efforts, expand and improve the use of data for decision making, streamline procurement, enhance small business contracting goals, achieve a net gain in hiring for the Department, and decrease the time to hire. The 2025 Budget continues the strategic investments made in 2024 and supports the positive trajectory in these areas, which are critical to meeting HUD's operational and programmatic needs. In particular, investing in staffing and information technology will enable HUD to manage and reduce risks associated with the continued growth of HUD's programs.

The Budget requests \$1.98 billion for S&E, which is \$203.2 million above the 2024 Annualized CR level.<sup>18,19</sup> In combination with carryover of 2024 funding, the 2025 Budget will support 8,382 full-time equivalents (FTEs).<sup>20,21</sup>



## STAFFING, RISK, AND OPERATIONAL IMPROVEMENTS

The Enterprise Risk Management program has provided a line of sight and revealed trending and emerging risks that could prevent the agency from accomplishing its mission, vision, and program outcomes. One significant risk was the 20 percent decline in staffing that HUD experienced from 2012 through 2019. This decline significantly eroded HUD's ability to monitor compliance on properties, loans, grants, public housing authorities, and other areas of responsibility, as well as greatly limiting its ability to address systemic issues inside the

<sup>18</sup> The 2025 President's Budget proposes \$11.8 million from the Information Technology (IT) Fund to support End-user IT Devices and wireless support paid via the Working Capital Fund.

<sup>19</sup> Including Ginnie Mae; excluding Office of Inspector General.

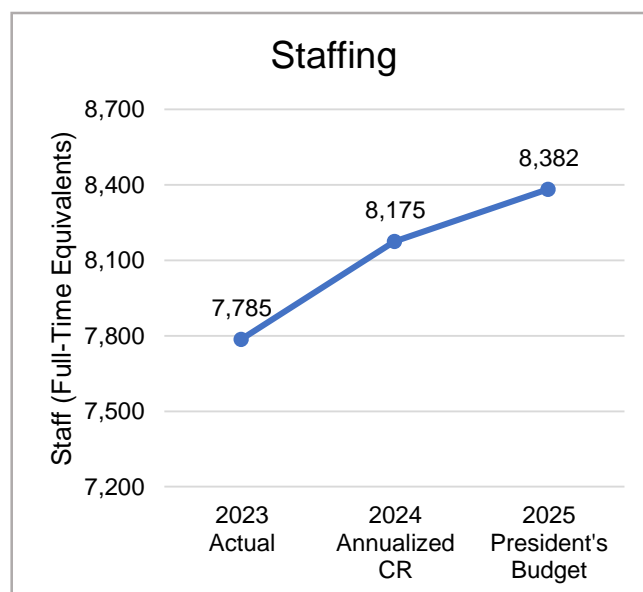
<sup>20</sup> Including Ginnie Mae; excluding Office of Inspector General.

<sup>21</sup> The "Salaries and Expenses" chart reflects 2023 actuals which includes carry over from 2022. The 2024 Annualized CR and 2025 President Budget amounts are new budget authority for each year and do not include carryover. It also includes Ginnie Mae (two-year funding only).

Department. Further, this staffing decline adversely impacted long-term productivity improvements and innovation within HUD's programs.

However, over the last four years, HUD has made it a priority to address this risk and mission degradation. Its success is evidenced by a steady growth in staffing from 2019 to 2023, with a total FTE increase of 13.6 percent during this period. Further, investments in staffing and resources have generated the following successes in administrative support operations during 2023:

- Increased on-time execution of all procurement actions by six percent.
- Exceeded all prime small business contracting goals.
- Developed HUD's first Anti-Harassment policy, which was touted by the Equal Employment Opportunity Commission (EEOC) as a model policy within the Federal Government.
- Achieved "Advanced" rating on the US Office of Personnel Management (OPM) Chief Human Capital Officer Evaluation System in three areas – Communication, Leadership Involvement, and Data – reaching premiere status. OPM has previously only cited GSA, NASA, and the Department of State as premiere Agencies.
- Reduced time to hire to tentative offer by five percent.
- Reduced storage usage in the Federal Records Center by 160 thousand cubic feet over the last three years, generating a combined savings of \$3.2 million per year.
- Reduced the deferred building maintenance backlog by \$11.6 million over the past three years.



The 2025 Budget will provide funding for modest FTE growth of 2.5 percent above the 2024 Annualized CR level. These staffing increases will allow the Department to better and more efficiently serve households and communities across the country. Using workforce succession strategies, the Department intends to execute this increase to ensure that additional staffing results in the right people allocated to the right jobs, providing the biggest impact toward achieving HUD's priorities.

## KEY INITIATIVES

The 2025 Budget invests in exciting work that will enable HUD to advance priorities, improve efficiencies, and look for new and better ways to meet customer needs.

- **Artificial Intelligence (AI):** HUD is beginning to build an AI program to meet increased needs and improve operational efficiency. The goal is to prepare HUD for future demands in the constantly evolving AI landscape while planning for and mitigating the associated risks with incorporating AI.
- **Customer Experience:** Funding will support building out Customer Experience (CX) capabilities and conducting research to improve customer experience and trust in HUD services. The Budget also provides funding for the Voice of the Customer (VOC),

software that will collect and analyze HUD's customer feedback, to help HUD better understand customer needs and work improve HUD's services.

- **Build America, Buy America (BABA):** Funding will support additional FTEs to manage and oversee BABA requirements at HUD.

## INFORMATION TECHNOLOGY FUND

The 2025 President's Budget requests \$419 million for the Information Technology (IT) Fund, which is \$44.3 million more than the 2024 Annualized CR level. This funding level includes \$9 million for development, modernization and enhancement (DME) projects, which will deliver enterprise improvements to HUD's cybersecurity. The IT funding level excludes \$2.9 million for shared Grants Management Services and \$11.8 million for end-user IT devices and wireless support, which are requested as a new activity in the Working Capital Fund with funding provided within HUD S&E accounts. The Department also continues its proposal to allow transferring up to \$10 million of S&E funding to the IT Fund.

The Budget continues vital investments to complete critical infrastructure improvements initiated in 2023, including the transition of the Data Center operations and the technology refresh cycle. The Department-wide discretionary request for cybersecurity activities is \$99 million. That amount includes \$95 million in the Information Technology Fund account and \$4 million in the Office of the Inspector General account. The Budget also estimates approximately \$75 million in mandatory funding for Ginnie Mae's cybersecurity activities.

## WORKING CAPITAL FUND

The Working Capital Fund (WCF) serves as a mechanism for HUD to finance enterprise shared services, with the goal of improving service quality, transparency, and operational efficiency that is delivered to WCF customers.

The 2025 Budget requests a total operations level of \$90 million for the WCF, which is \$21 million more than the 2024 Annualized CR level. The funding level increase includes inflationary adjustments to existing business lines and new business lines proposed for 2025, including new business lines carried over from the 2024 Budget. The 2025 Budget provides funding in each HUD program office S&E account to pay for their estimated usage of WCF goods and services, including inflationary adjustments and changes in service utilization.

In 2025, the WCF proposes to include two new business lines:

- **Grants Management Platforms** to streamline the service provision, funding, and management of grants management software.
- **Reorganization Processing** to improve the timeliness of classification actions for all customers while decreasing implementation time for reorganizations.

# Office of Inspector General

---

The Office of Inspector General (OIG) for HUD is an independent and objective organization, conducting and supervising audits, evaluations, investigations, and reviews relating to the Department's programs and operations. The OIG promotes economy, efficiency, and effectiveness in these programs and operations while also preventing and detecting fraud, abuse, and mismanagement. Beyond ensuring proper stewardship of Federal funds, through timely and influential oversight, the OIG aims to protect HUD's beneficiaries and ensure that HUD's critical programs are efficiently administered to the vulnerable communities and populations who need them most.

The 2025 President's Budget requests \$160 million for the OIG, which is \$14 million more than the 2024 Annualized CR level.

## OVERSIGHT PRIORITIES

The OIG provides comprehensive oversight of HUD's most critical programs and operations, including by aligning audit and evaluation teams with HUD program functions and aligning investigative staff to regions of the country using a data-driven approach that focuses on risks to HUD funds and beneficiaries. This alignment ensures that OIG provides strategic, targeted oversight of the most important areas of HUD's programs and operations, and produces impactful investigations to detect and prevent fraud, waste, and abuse throughout the country. This oversight model results in actionable recommendations that identify a roadmap for HUD and its stakeholders to achieve program improvements. OIG's investigative work provides accountability and deterrence in those areas of greatest risk to HUD and the taxpayer.

The OIG addresses HUD's critical program functions by focusing staff and other resources towards what OIG has independently determined to be the top management and performance challenges the Department faces.<sup>22</sup> Each challenge is tied to HUD's Strategic Plan and is informed by past OIG oversight findings, the views of Department leadership, input from key external stakeholders, and the work of OIG's oversight partners, such as the U.S. Government Accountability Office.

For 2024, the OIG determined HUD's Top Management Challenges to be:

- Promoting Health and Safety in HUD-Assisted Housing
- Increasing Access to Affordable Housing
- Mitigating Counterparty Risks
- Grants Management
- Enhancing Oversight of Disaster Recovery
- Managing Fraud Risk and Improper Payments
- Improving IT Modernization and Cybersecurity
- Managing Human Capital
- Increasing Effectiveness in Procurement

Within each challenge, HUD OIG has built an oversight strategy informed by data analytics to drive oversight first to enterprise-wide risk at the HUD level, then to primary recipients such as grantees or financial institutions, and then down through successive layers of program partners

---

<sup>22</sup> Top Management Challenges Facing the Department of Housing and Urban Development in FY 2024 (Nov. 13, 2023), available at: <https://www.hudoig.gov/library/top-management-challenges>



that HUD relies on to execute its programs. This approach allows OIG to make meaningful findings and recommendations to improve how HUD does business and find the most effective areas to target limited investigative resources. This approach also allows OIG to scale up oversight when additional resources become available to address previously identified risks in HUD programs and partners' operations or to maximize its investigative footprint.

## **INITIATIVES TO REDUCE ENVIRONMENTAL AND PUBLIC HEALTH HAZARDS AND ADDRESS SEXUAL MISCONDUCT**

The Inspector General has launched several initiatives focused on protecting the most vulnerable HUD beneficiaries through remediation of environmental hazards, preventing financial predation, and protecting HUD residents from sexual harassment and misconduct. The goal of these efforts is to: 1) assist HUD in identifying ways to increase PHAs' and landlords' compliance with HUD's requirements, which are designed to provide decent, safe, and sanitary housing to beneficiaries; and 2) hold accountable bad actors who abuse HUD's programs and beneficiaries. Additionally, the OIG will work with Federal, State, and local law enforcement partners to root out participants engaged in fraud schemes that abuse vulnerable HUD beneficiaries, including by providing outreach and education to HUD communities and beneficiaries. The 2025 Budget will help the OIG maintain oversight over these critical programs and the entities and individuals who implement them.

To that end, HUD OIG is prioritizing the following oversight objectives:

- Ensuring PHAs, landlords, contractors, and inspectors properly identify lead hazards and use safe work practices to reduce and prevent lead exposure and poisoning in HUD-assisted housing;
- Ensuring landlords fulfill their obligations to provide housing units that are decent, safe, and sanitary, and make necessary repairs to units in a timely and safe manner; and
- Combatting financial fraud schemes that exploit vulnerable populations who rely on HUD housing assistance, such as landlords who overcharge rent or housing fees.

OIG is focused on ensuring HUD tenants are protected from sexual misconduct in housing. Working with HUD and the Department of Justice, it will continue seeking justice for victims through criminal and civil prosecution and penalties for those who sexually assault or harass HUD tenants. No one should have to face the threat of being sexually harassed or sexually assaulted by their housing provider in order to have a roof over their head.

## **IT INFRASTRUCTURE SUPPORT AND INVESTMENT**

The 2025 Budget supports all necessary adjustments to base requirements associated with the OIG's current IT services and mandated cybersecurity spending. These requirements include the necessary costs of business operations services, Microsoft licensing costs, the electronic audit and investigation case management system, network connectivity requirements, cellular equipment and services, and long-term backup data storage, along with other services and equipment that are part of normal operations and maintenance activities.

Additionally, the 2025 Budget allows for strategic IT investments, including:

- \$625 thousand to achieve compliance with DOJ mandates for law enforcement body-worn cameras;
- \$350 thousand for cyclical replacement of outdated server equipment in field office locations to enhance network performance and improve operational resilience; and

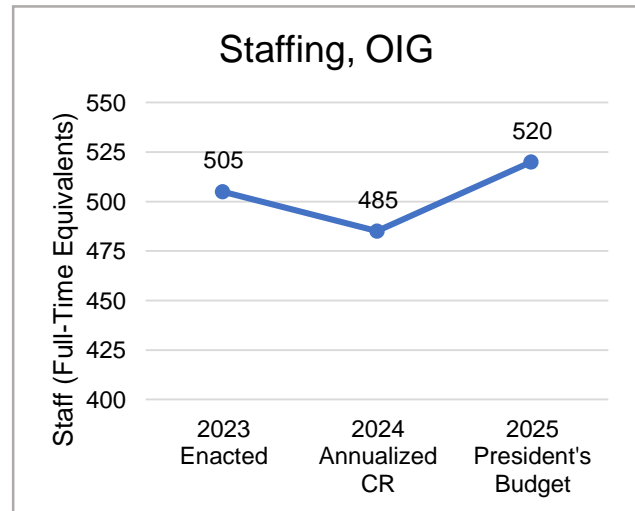
- \$1.4 million to support 60 percent of the OIG’s cyclical replacement of laptops for all personnel.

## FINANCIAL STATEMENT AUDITS

OIG recompeted the contract to support the Federal Housing Administration (FHA), Ginnie Mae, and HUD consolidated financial statement audits, allowing for more efficient execution and monitoring of the contract for the upcoming period of performance. The 2024 cost is \$5 million, with inflationary increases in 2025 bringing the total cost to \$5.1 million. The new procurement utilized a fixed price model to prevent cost overruns and support consistent pricing.

### Salaries & Expenses

The 2025 Budget requests \$160 million for OIG S&E. This funding level will support 520 FTEs, which is 35 FTEs above the 2024 Annualized CR. The 2025 Budget provides adequate capacity for the OIG to focus on oversight priorities, including health and safety hazards in HUD housing. Increased Personnel Services and Non-Personnel Services funding will support inflationary costs and adjustments to the base associated with current OIG staffing, and the tools necessary to conduct the OIG’s mission.





**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

451 7th Street S.W., Washington, DC 20410