

General Administrative, National, and Departmental Policy Requirements and Terms for HUD’s Financial Assistance Programs

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

The table is not intended to include an exhaustive list of all laws and policies applicable to HUD awards. For NOFOs, the laws and policies below apply if they are listed in the program notice or the program NOFO, Section VII.A., “Administrative, National and Departmental Policy Requirements and Terms for HUD Applicants and Recipients of Financial Assistance Awards.” Some laws and policies may apply only to awards with certain types of activities or to certain types of recipients. For example, some may apply only to construction awards, or awards associated with publications. Some of the exceptions are noted in the tables below.

In addition, the requirements as stated below apply only to the extent they are consistent with the requirements stated by applicable Federal statutes, regulations, and the applicable program NOFO or notices. The legal agreement signed pursuant to an award with the recipient or subaward with a subrecipient must contain assurances (and certifications where applicable) of compliance with program requirements including, but not limited to, nondiscrimination and equal opportunity requirements.

No.	SUMMARY OF LAWS AND POLICIES	SOURCE	ADDITIONAL INFORMATION
1.	<p>Compliance with Fair Housing and Civil Rights Laws</p> <p>Recipients must comply with all applicable fair housing and civil rights requirements, including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; Section 504 of the Rehabilitation Act of 1973; and Title II and Title III of the Americans with Disabilities Act of 1990.</p>	<p><u>Fair Housing Act</u> Statute: 42 U.S.C. §§ 3601 – 3619</p> <p>Regulations: 24 CFR part 100 et seq.</p> <p><u>Title VI of the Civil Rights Act of 1964</u> Statute: 42 U.S.C. § 2000d et seq.</p> <p>Regulations: 24 CFR part 1</p> <p><u>The Age Discrimination of Act of 1975</u> Statute: 42 U.S.C. §§ 6101-6107</p> <p>Regulations: 24 CFR part 146</p> <p><u>Section 504 of the Rehabilitation Act of 1973</u> Statute: 29 U.S.C. § 794</p> <p>Regulations: 24 CFR part 8</p> <p><u>The Americans with Disabilities Act (ADA)</u> Statute: Title II of the ADA (42 U.S.C. §§ 12131 – 12165). DOJ’s Title II implementing regulations: 28 CFR part 35.</p> <p>Statute: Title III of the ADA (42 U.S.C. §§ 12181 – 12189). DOJ’s Title III implementing regulations: 28 CFR part 36</p>	
2.	<p>Affirmatively Furthering Fair Housing Requirements</p> <p>The Fair Housing Act requires HUD to administer its programs and activities in a</p>	<p>Statute: Section 808(e)(5) of the Fair Housing Act (42 U.S.C. § 3608(e)(5))</p> <p>Regulations: 24 CFR 5.150</p>	

	<p>manner to affirmatively further the purposes of the Fair Housing Act. HUD requires all recipients of HUD funding, including those awarded and announced under HUD’s Notice of Funding Opportunities (NOFOs), to comply with its affirmatively further fair housing regulation published at 90 FR 11020 (March 3, 2025), as may be amended.</p>		
3.	<p>Economic Opportunities for Low- and Very Low-Income Persons</p> <p>Section 3 of the Housing and Urban Development Act of 1968, entitled <i>Economic Opportunities for Low-and Very Low-Income Persons</i> requires, to the greatest extent feasible, that training, employment, contracting and other economic opportunities be directed to low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons.</p>	<p>Statute: Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. § 1701u)</p> <p>Regulations: 24 CFR part 75</p>	<p>HUD encourages recipients to utilize the Section 3 Resource Hub to discover local opportunities for workforce and business development.</p>
4.	<p>Compliance with Immigration Requirements</p> <p>The recipient must administer its award in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (8 U.S.C. 1601-1646) (PRWORA) and any applicable requirements that HUD, the Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, or other Executive Orders or immigration laws.</p> <p>No state or unit of general local government that receives HUD funding under may use that funding in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or abets policies that seek to shield illegal aliens from deportation.</p> <p>Subject to the exceptions provided by PRWORA, the recipient must use SAVE, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.</p>	<p>Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (8 U.S.C. 1601-1646) (PRWORA)</p> <p>Executive Order 14218: Ending Taxpayer Subsidization of Open Borders</p>	

5.	Accessible Technology Section 508 of the Rehabilitation Act of 1973 requires recipients to ensure access to information, programs, and activities for persons with disabilities consistent with HUD's regulations at 24 CFR § 8.6.	Statute: Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. § 794d); Section 504 of the Rehabilitation Act (29 U.S.C. § 794); and Title II of the ADA (42 U.S.C. §§ 12131 – 12165) as applicable. Regulations: Access Board's Section 508 regulations at 36 CFR part 1194 ; HUD's Section 504 regulations at 24 CFR § 8.6 ; and DOJ's regulations at 28 CFR part 35, subpart E and H, and H	Recipients can also learn about Section 508 at Section508.gov and the U.S. Access Board website .
6.	Ensuring the Consideration of Small Businesses, Minority Businesses, Women's Business Enterprises, Veteran-Owned Businesses, and Labor Surplus Area Firms HUD ensures that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms receive consideration in HUD's contracting opportunities and financial assistance programs. Recipients are required to ensure that, when possible, small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms receive consideration consistent with 24 CFR 200.321.	Regulations: 24 CFR 200.321	
7.	Equal Participation of Faith-based Organizations in HUD Programs and Activities HUD's regulations on the equal participation of faith-based organizations are at 24 CFR 5.109. These regulations provide, among other things, that a faith-based organization that participates in a HUD-funded program or activity retains its independence, and may continue to carry out its mission provided that it does not use direct Federal financial assistance to support or engage in any explicitly religious activities; an organization that engages in explicitly religious activities must separate those activities, in time or location, from activities supported by direct Federal financial assistance and participation must be voluntary; a faith-based organization that carries out programs or activities with direct Federal financial assistance from HUD must provide beneficiaries and prospective	Statute: Religious Freedom Restoration Act of 1993, as amended (42 U.S.C. 2000bb <i>et seq.</i>) Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000d <i>et seq.</i> ; Regulations: 24 CFR 5.109	

	beneficiaries with a written notice of certain protections; beneficiaries and prospective beneficiaries may object to the religious character of an organization, upon which the organization must undertake reasonable efforts to identify and refer the beneficiary or prospective beneficiary to an alternative provider; and an organization that receives Federal financial assistance under a HUD program or activity may not discriminate against a beneficiary or prospective beneficiary on the basis of religion, religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice. (See 24 CFR 5.109).		
8.	<p>Real Estate Acquisition and Relocation</p> <p>With certain exceptions, HUD-funded programs or projects are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and the government-wide regulations issued by the Federal Highway Administration. The URA applies to acquisitions of real property and relocation occurring as a direct result of the acquisition, rehabilitation, or demolition of real property for Federal or Federally funded programs or projects.</p> <p>The relocation requirements of the URA and its implementing regulations at 49 CFR part 24, cover any displaced person who moves from real property or moves personal property from real property as a direct result of acquisition, rehabilitation, or demolition for a program or project receiving HUD assistance.</p>	<p>Statute: Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) (42 U.S.C. § 4601 et seq.)</p> <p>Regulations: 49 CFR part 24</p>	<p>HUD's Relocation and Real Estate Division (RRED) is preparing guidance to describe the effective date and applicability of the 2024 URA Final Rule's provisions to HUD funded projects. This guidance will be promulgated in a Federal Register Notice.</p> <p>RRED's current websites include regulations, Handbook, Policy Briefs, FAQs, tools, resources, contacts, and on-line training materials. These materials and resources will require revision and updating to reflect the new regulatory requirements. Inquiries for additional assistance can be directed to the RRED program staff contact listing contained within the websites as follows: https://www.hud.gov/program_offices/comm_planning/relocation https://www.hudexchange.info/programs/relocation/</p>
9.	Participation in a HUD-Sponsored Program Evaluation	Statute: 12 USC 1701z-1 and 12 USC 1702z-2	

	As a condition of the receipt of the award under a NOFO, the recipient is required to cooperate with all HUD staff, contractors, or designated grantees performing research or evaluation studies funded by HUD. In addition, all recipients must comply with the requirements of 24 CFR part 60 when conducting or participating in research activities sponsored or funded by HUD that involve human subjects.	24 CFR part 60 -- Protection of Human Subjects Federal Register Notice, (FR-6278-N-01) Also, see applicable NOFO.	
10.	OMB Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, set forth in 2 CFR part 200, apply, except as otherwise provided by the Program NOFO or applicable program regulations.	Regulations: 2 CFR part 200	
11.	Drug-Free Workplace Recipients must comply with the drug-free workplace laws set forth in subpart B (or subpart C, if the recipient is an individual) of 2 CFR part 2429 , which adopts the government-wide implementation (2 CFR part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).	Regulations: 2 CFR part 2429, subparts B (or C, if the recipient is an individual); 2 CFR part 182	
12.	Privacy Act Requirements Related to Safeguarding Resident/Client Files In maintaining resident and client files, funding recipients must follow all applicable privacy laws, including state, local, and tribal laws concerning the disclosure of records that pertain to individuals and take reasonable measures to ensure that all files are safeguarded, including when reviewing, printing, or copying client files. Federal requirements will apply where state, local, or tribal laws are inconsistent with Federal requirements, to the extent such Federal requirements preempt state, local, and tribal laws. When collecting or maintaining personally identifiable information for inclusion in a HUD system of records as defined by the Privacy Act of 1974, recipients must comply with agency rules, regulations, or other requirements issued under the Privacy Act of 1974, including, but not limited, to 24 CFR part 5 subpart B, PIH-2015-06, and other related issuances, as applicable.	Statute: Privacy Act of 1974, as amended (5 U.S.C. 552a) Regulations: 24 CFR part 5 subpart B ; HUD Rule PIH-2015-06	
13.	Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282) (Transparency Act), as amended All recipients must comply with the award terms found in 2 CFR part 170 Appendix A.	Regulations: 2 CFR part 170, Appendix A to 2 CFR part 170	
14.	Eminent Domain No federal funds provided under the Federal award may be used to support any Federal,	This requirement is a recurring condition in HUD's annual appropriations Acts.	

	<p>state, or local project that seeks to use the power of eminent domain, unless eminent domain is used only for public use. Public use may not be construed to include economic development that primarily benefits private entities.</p> <p>Public use includes use of funds for mass transit, railroad, airport, seaport, or highway projects, and utility projects which benefit or serve the general public (including energy-related, communication-related, water-related, and waste water-related infrastructure), other structures designated for use by the general public or with other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfields, as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Pub. L. 107-118).</p>		
15.	<p>Accessibility for Persons with Disabilities applies to all HUD-funded activities. All grantees must ensure that no one is excluded from participation or denied the benefits of any program or activity that receives Federal Financial assistance consistent with the provisions of 24 CFR Part 8, Subpart C.</p>	<p>Statute: Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794)</p> <p>Regulations: 24 CFR part 8, subpart C</p>	<p>HUD's Resources: Section 504 of the Rehabilitation Act of 1973</p>
16.	<p>Violence Against Women Act <i>Requirements for Covered Housing Programs</i> The Violence Against Women Act of 1994 (VAWA), as amended, provides housing protections for victims of domestic violence, dating violence, sexual assault, and stalking in many of HUD's housing programs. In general, under the VAWA rule, an applicant for assistance or a tenant already assisted under a covered housing program may not be denied admission to, denied assistance under, terminated from participation in, or evicted from the housing on the basis or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy.</p> <p>The VAWA rule also requires that the covered housing providers establish emergency transfer plans for facilitating the emergency relocation of certain tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. VAWA, as reauthorized by the Violence Against Women Act Reauthorization Act of 2022, prohibits any public housing agency or owner or manager or housing assisted under a covered housing program from discriminating against any</p>	<p>Statute: The Violence Against Women Act of 1994, as amended, housing provisions at 34 U.S.C. 12491, et seq.</p> <p>HUD's regulations implementing VAWA, as amended by the Violence Against Women Reauthorization Act of 2013, are at 24 CFR part 5, subpart L, Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (collectively, the VAWA rule), and in the applicable program regulations</p>	<p>The specific HUD programs that are subject to the VAWA housing protections are listed in the "covered housing program" definition at 24 CFR 5.2003, and as may be identified by HUD through further regulations, notices, or any other means.</p>

	<p>person because that person has opposed any act or practice made unlawful by the housing title of VAWA or because that person testified, assisted, or participated in any related matter. It also prohibits any public housing agency or owner or manager of housing assisted under a covered housing program from coercing, intimidating, threatening, interfering with, or retaliating against any person who exercises or assists or encourages a person to exercise any rights or protections under the housing title of VAWA.</p> <p><i>Protecting the right to report crime and emergencies from one's home</i></p> <p>VAWA also protects the right to report crime and emergencies from housing. It establishes that landlords, homeowners, tenants, residents, occupants, and guests of, and applicants for, housing have the right to seek law enforcement or emergency assistance on their own behalf or on behalf of another person in need of assistance. It prohibits actual or threatened penalties based on requests for assistance or criminal activity of which an individual is a victim or otherwise not at fault under the laws or policies adopted or enforced by (any municipal, county, or state government that receives funding under Section 106 of the Housing and Community Development Act of 1974).</p>		
17.	<p>Conducting Business in Accordance with Ethical Standards</p> <p>All Federal award recipients, except states and tribes subject to 2 CFR 200.317, must have a code of conduct (or written standards of conduct) for procurements that meet all requirements in 2 CFR 200.318(c). Before entering into an agreement with HUD, each applicant selected for an award under a NOFO must ensure an up-to-date copy of the organization's code of conduct, dated and signed by the Executive Director, Chair, or equivalent official, of the governing body of the organization, is available in Code of Conduct e-library. Applicants can check the e-Library to confirm whether HUD has received their Code of Conduct. States and Tribes subject to 2 CFR 200.317 must follow the same policies and procedures for procurements under Federal awards that the state uses for procurements from its non-Federal funds. If such policies and procedures do not exist, they must follow the code of conduct requirements in 2 CFR 200.318(c).</p> <p>All recipients must comply with the conflict-of-interest requirements in the applicable program regulations and grant agreements. If there are no program-specific regulations for</p>	<p>Regulations: 2 CFR 200.112, 2 CFR 200.113, 2 CFR 200.317, CFR 200.318(c).</p>	

	the award, the conflict-of-interest requirements specified below this table, titled <i>Conflicts of Interest</i> , apply. Recipients must disclose in writing any potential conflict of interest to HUD.		
18.	Build America, Buy America (“BABA”) The recipient must comply with the requirements of the Build America, Buy America (BABA) Act, Sections 70901-52 of Public Law No. 117-58, 41 U.S.C. 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee’s infrastructure project. Applicants are encouraged to consult with the NOFO point of contact to confirm additional requirements or waivers specific to each grant.	Statute: Build America, Buy America (BABA) Act, Sections 70901-52 of Pub. L. No. 117-58, 41 U.S.C. 8301 note	For additional resources, please see https://babawaiver.hud.gov/s/
19.	Trafficking in Persons The award term in Appendix A to 2 CFR part 175 applies to each grant or cooperative agreement HUD makes with a private entity, as defined in 2 CFR 175.300; and each grant or cooperative agreement HUD makes with a state, local government, Indian tribe, foreign public entity, or any other recipient, where funding under the award could be provided to a subrecipient that is a private entity. However, where the award term refers to the agency’s regulatory implementation of the OMB guidelines in 2 CFR part 180 , those references will be understood to refer to 2 CFR part 2424 .	Statute: Section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)) Regulations: 2 CFR part 175 , 2 CFR part 180 , 2 CFR part 2424	
20.	Applicable Environmental Requirements As applicable under 24 CFR part 50 or 24 CFR part 58 , recipients must comply with the National Environmental Policy Act (NEPA).	Regulations: 24 CFR part 50 , 24 CFR part 58	
21.	Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment Federal award funds must not be used to purchase, lease, or renew or extend contracts for “covered telecommunications equipment or services” as described in 2 CFR 200.216, which include equipment or services provided by Huawei Technologies Company or the ZTE Corporation (or any subsidiary or affiliate of such entities).	Statute: Section 889 of Public Law 115-232 (41 USC 3901 note prec.) Regulation: 2 CFR 200.216, Prohibition on Certain Telecommunication and Video Surveillance Equipment or Services	
22.	The Freedom of Information Act (FOIA) The FOIA gives any person the right to request access to HUD records. HUD must disclose the records requested unless they are protected by one or more of the exempt categories of information found in the FOIA. In addition to responding to FOIA requests from members of the public, HUD may also share records within HUD or with other Federal agencies, if HUD determines that sharing is relevant to the respective program’s objectives.	Statute: 5 USC § 552 Regulations: 24 CFR pt 15	
23.	Waste, Fraud, Abuse, and Whistleblower Protections. Any person who becomes aware	Statute: 41 U.S.C. § 4712	HUD OIG is available to receive

	<p>of the existence or apparent existence of fraud, waste or abuse of any HUD award must report such incidents to both the HUD official responsible for the award and to HUD’s Office of Inspector General (OIG). All HUD awards are subject to the requirements under 41 U.S.C. § 4712, which includes informing employees in writing of their rights and remedies, in the predominant native language of the workforce.</p> <p>Under 41 U.S.C. § 4712, employees of a government contractor, subcontractor, grantee, and subgrantee— as well as a personal services contractor—who make a protected disclosure about a Federal grant or contract cannot be discharged, demoted, or otherwise discriminated against as long as they reasonably believe the information they disclose is evidence of:</p> <ol style="list-style-type: none"> 1. Gross mismanagement of a Federal contract or grant; 2. Gross waste of Federal funds; 3. Abuse of authority relating to a Federal contract or grant; 4. Substantial and specific danger to public health and safety; or 5. Violations of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. 		<p>allegations of fraud, waste, and abuse related to HUD programs via its hotline number (1-800-347-3735) and its online hotline form.</p> <p>See Federal Contractor or Grantee Protections Office of Inspector General, Department of Housing and Urban Development: https://www.hudoig.gov/fraud/whistleblower-rights/federal-contractor-grantee-protections</p>
24.	<p>Other Presidential Executive Actions Affecting Federal Financial Assistance Programs</p> <p>Recipients of Federal Awards must comply with applicable existing and future Executive Orders, as advised by the Department, including but not limited to the following:</p> <p>Executive Order (EO) 14219, <i>Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative</i>, requires agencies to focus its limited enforcement resources on regulations authorized by constitutional Federal statutes.</p> <p>EO 14218, <i>Ending Taxpayer Subsidization of Open Borders</i>, prohibits taxpayer resources and benefits from going to unqualified aliens.</p> <p>EO 14202, <i>Eradicating Anti-Christian Bias</i>, establishes a taskforce to eradicate Anti-Christian bias within the U.S. Department of Justice. EO 14205, <i>Establishment of the White House Faith Office</i>, establishes the White House Faith Office within the Executive Office of the President to empower faith-based entities.</p>	<p>Executive Orders:</p> <ul style="list-style-type: none"> • 14219 (Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative); • 14218 (Ending Taxpayer Subsidization of Open Borders); • 14202 (Eradicating Anti-Christian Bias); 14205 (Establishment of the White House Faith Office); • 14182 (Enforcing the Hyde Amendment); • 14173 (Ending Illegal Discrimination and Restoring Merit-Based Opportunity); • 14168 (Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government); • 14151 (Ending Radical and Wasteful Government DEI Programs and Preferencing); and • 14148 (Initial Rescissions of Harmful Executive Orders and Actions) 	<p>This list is non-exhaustive. You may find additional Executive Orders at this webpage: https://www.whitehouse.gov/presidential-actions/.</p>

<p>EO 14182, <i>Enforcing the Hyde Amendment</i>, prohibits the use of Federal taxpayer dollars to fund or promote elective abortion.</p> <p>EO 14173, <i>Ending Illegal Discrimination and Restoring Merit-Based Opportunity</i>, requires Federal agencies to terminate all discriminatory and illegal preferences.</p> <p>EO 14168, <i>Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government</i>, sets forth U.S. policy recognizing two sexes, male and female.</p> <p>EO 14151, <i>Ending Radical and Wasteful Government DEI Programs and Preferencing</i>, requires the OMB Director assisted by the Attorney General and the OPM Director to coordinate the termination of all discriminatory programs and activities.</p> <p>EO 14148, <i>Initial Rescission of Harmful Executive Orders and Action</i>, revokes 67 EOs that were each issued between January 20, 2021, and January 16, 2025; and 11 Presidential memoranda issued between March 13, 2023, and January 14, 2025, to advance fairness, safety, and improve the economy.</p>		
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Conflicts of Interest

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

- i. Conflicts Subject to Procurement Regulations. In the procurement of property or services by recipients and subrecipients, the conflict-of-interest rules in 2 CFR 200.317 and 2 CFR 200.318(c) shall apply. In all cases not governed by 2 CFR 200.317 and 2 CFR 200.318(c), recipients and subrecipients must follow the requirements contained in paragraphs ii-v below.
- ii. General prohibition. No person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or subrecipient and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have a financial interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage or adoption) the spouse, parent (including a stepparent), child (including a stepchild), sibling (including a stepsibling), grandparent, grandchild, and in-laws of a covered person.
- iii. Exceptions. HUD may grant an exception to the general prohibition in paragraph (ii) upon the recipient's written request and satisfaction of the threshold requirements in paragraph (iv), if HUD determines the exception will further the Federal purpose of the award and the effective and efficient administration of the recipient's program or project, taking into account the cumulative effects of the factors in paragraph (v).

- iv. Threshold requirements for exceptions. HUD will consider an exception only after the recipient has provided the following documentation:
 - a. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
 - b. An opinion of the recipient's attorney that the interest for which the exception is sought would not violate state, local, or tribal law.
- v. Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the threshold requirements in paragraph (iii), HUD will consider the cumulative effect of the following factors, where applicable:
 - a. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;
 - b. Whether an opportunity was provided for open competitive bidding or negotiation;
 - c. Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - d. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
 - e. Whether the interest or benefit was present before the affected person was in a position as described in paragraph (ii);
 - f. Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
 - g. Any other relevant considerations.
- vi. For purposes of the above requirements, once procured, contractors are considered agents of the recipient or subrecipient and are subject to the above conflict of interest rules in addition to those for procurements at 2 CFR 200.317 or 2 CFR 200.318, as applicable.

Recipients must disclose in writing any potential conflict of interest to HUD.