



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

CONGRESSIONAL JUSTIFICATIONS

2026

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
2026 CONGRESSIONAL JUSTIFICATIONS
TABLE OF CONTENTS

DEPARTMENTAL SUMMARY

Introduction	1
Budget Authority	1
Budget Outlays	1
FTE Staff Summary	1

PUBLIC AND INDIAN HOUSING

State Rental Assistance Program	2
Tenant-Based Rental Assistance	3
Public Housing Fund	4
Assisted Housing Inspections and Risk Assessment.....	5
Housing Certificate Fund.....	6
Choice Neighborhoods	7
Self-Sufficiency Programs	8
Native American Programs.....	9
Indian Housing Loan Guarantee Fund (Section 184)	10
Native Hawaiian Housing Block Grant	11
Native Hawaiian Loan Guarantee Fund (Section 184A)	12

COMMUNITY PLANNING AND DEVELOPMENT

Housing Opportunities for Persons with AIDS	13
Community Development Fund	14
Community Development Loan Guarantee	15
HOME Investment Partnerships Program	16
Self-Help Homeownership Opportunity Program	17
Homeless Assistance Grants.....	18
Housing Trust Fund	19
Preservation and Reinvestment Initiative for Community Enhancement	20

HOUSING

Project-Based Rental Assistance	21
Housing for the Elderly (Section 202)	22
Housing for Persons with Disabilities (Section 811)	23
Housing Counseling Assistance.....	24
Manufactured Housing Fees Trust Fund.....	25
Mortgage and Loan Insurance Programs (FHA Fund)	26

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
2026 CONGRESSIONAL JUSTIFICATIONS
TABLE OF CONTENTS

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

Mortgage-Backed Securities Program.....	27
Ginnie Mae Salaries and Expenses	28

POLICY DEVELOPMENT AND RESEARCH

Research and Technology	29
-------------------------------	----

FAIR HOUSING AND EQUAL OPPORTUNITY

Fair Housing Activities	30
-------------------------------	----

LEAD HAZARD CONTROL AND HEALTHY HOMES

Lead Hazard Reduction.....	31
----------------------------	----

MANAGEMENT AND ADMINISTRATION

Executive Offices.....	32
Administrative Support Offices	33
Program Offices Salaries and Expenses (POSE)	34
Working Capital Fund.....	35
Information Technology Fund.....	36

INSPECTOR GENERAL.....	37
------------------------	----

EXPLANATION OF GENERAL PROVISIONS	38
---	----

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT CONGRESSIONAL JUSTIFICATIONS

INTRODUCTION

The following table summarizes the Department's funding and staffing requests for 2024 through 2026:

	<u>2024</u> <u>ACTUAL</u>	<u>2025</u> <u>ENACTED</u> (Dollars in Millions)	<u>2026</u> <u>BUDGET</u>
<u>BUDGET AUTHORITY</u>			
Discretionary (Gross)	75,538	89,088	43,455
Offsetting Receipts	<u>(5,133)</u>	<u>(7,837)</u>	<u>(10,282)</u>
Discretionary (Net)	70,405	81,251	33,173
Mandatory (Net)	<u>3,313</u>	<u>6,140</u>	<u>9,592</u>
Total Budget Authority	73,718	87,391	42,765
<u>BUDGET OUTLAYS</u>			
Discretionary	71,650	76,205	60,486
Mandatory	<u>(19,673)</u>	<u>(22,837)</u>	<u>(2,922)</u>
Total Budget Outlays	51,977	53,368	57,564
<u>FULL-TIME EQUIVALENTS</u>			
FTE Staff (includes S&E, OIG, GNMA)	8,682	8,597	6,340

NOTES:

Detail may not add to totals due to rounding. The first part begins with a set of summary tables outlining the Department's budget authority, outlays, and staffing levels. The tabular material is followed by discussions of the Department's programs.

Throughout the Justifications, all references to years refer to fiscal years (beginning October 1 and ending September 30) unless otherwise noted.

**BUDGET AUTHORITY BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024 - 2026
(DOLLARS IN MILLIONS)**

	2024 Actual	2025 Enacted	2026 President's Budget
DISCRETIONARY PROGRAMS ^{a/}			
Public and Indian Housing Programs			
State Rental Assistance Program			
State Rental Assistance	-	-	31,787
State Rental Assistance Program Advance Appropriations ^{b/}	-	-	4,400
Foster Youth Housing	-	-	25
State Rental Assistance Program Total	-	-	36,212
Tenant-Based Rental Assistance			
Section 8 Contract Renewals	28,491	32,145	-
Administrative Fees	2,771	2,771	-
Mainstream 811 Voucher Renewals	743	743	-
Section 8 Rental Assistance (Tenant Protection Vouchers)	337	337	-
Tenant-Based Rental Assistance - Transfers In	42	33	-
Family Unification Program (FUP) Vouchers	30	30	-
HUD-VASH	15	15	-
Tenant-Based Rental Assistance - Transfers Out	-	(5)	-
Tenant-Based Rental Assistance Total	32,429	36,069	-
Public Housing Fund			
Public Housing Formula Grants (Operating Expenses)	5,476	5,476	-
Public Housing Formula Grants (Capital Expenses)	3,200	3,200	-
Housing Health Hazards	40	40	-
Lead-Based Hazards	25	25	-
Public Housing Formula Grants - Shortfall Prevention	25	25	-
Emergency Disaster Grants	20	20	-
Troubled At Risk PHAs	15	15	-
Set-Aside for Safety and Security Grants	10	10	-
Rescission	(20)	-	-
Public Housing Fund - Transfers Out	(64)	(49)	-
Public Housing Fund Total	8,727	8,762	-
Assisted Housing Inspections and Risk Assessments			
Assisted Housing Inspections and Risk Assessments	50	50	-
Assisted Housing Inspections and Risk Assessments Total	50	50	-
Choice Neighborhoods			
Choice Neighborhoods Grants	75	75	-
Choice Neighborhoods Total	75	75	-
Self-Sufficiency Programs			
Family Self-Sufficiency	141	141	-
Resident Opportunity and Self-Sufficiency	40	40	-
Jobs-Plus Initiative	15	15	-
Self-Sufficiency Programs Total	196	196	-

BUDGET AUTHORITY BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024 - 2026
(DOLLARS IN MILLIONS)

	2024 Actual	2025 Enacted	2026 President's Budget
Native American Programs			
Indian Housing Block Grant Formula	1,111	1,111	872
Indian Housing Block Grant Competitive	150	150	-
Indian Community Development Block Grant	75	75	5
Technical Assistance	5	5	-
National and Regional Organizations	2	2	-
Title Guarantee - Title VI (Credit Subsidy)	1	1	-
Tribal HUD-VASH	-	-	10
Native American Programs Total	1,344	1,344	887
Indian Housing Loan Guarantee Fund Program Account (Section 184)			
Loan Guarantee Credit Subsidy	2	2	1
Indian Housing Loan Guarantee Fund Program Account (Section 184) Total	2	2	1
Native Hawaiian Housing Block Grant			
Native Hawaiian Housing Block Grant	22	22	-
Native Hawaiian Housing Block Grant Total	22	22	-
Public and Indian Housing Programs Total	42,845	46,520	37,100
Community Planning and Development			
Homeless Assistance Grants			
Continuum of Care	3,492	3,492	-
Emergency Solutions Grants	290	290	4,024
Youth Homelessness Demo	107	107	-
New Permanent Supportive Housing	100	100	-
Victims of Domestic Violence	52	52	-
National Homeless Data Analysis Project	10	10	-
Homeless Assistance Grants Total	4,051	4,051	4,024
Self-Help and Assisted Homeownership Opportunity Program (SHOP)			
Section 4 Capacity Building	42	42	16
Self Help Housing Opportunity Program	12	12	-
Rural Capacity Building	6	6	-
Rescission	(5)	-	-
Self-Help and Assisted Homeownership Opportunity Program (SHOP) Total	55	60	16
Community Development Fund ^{cf}			
Community Development Fund Disaster Assistance	-	12,039	-
CDBG Entitlement/Non-Entitlement Grants	3,300	3,300	-
PRO Housing (Competitive Grants)	100	100	-
Recovery Housing Program (SUPPORT Act)	30	30	-
Economic Development Initiatives	3,290	-	-
Rescission	(1)	-	-
Community Development Fund - Transfers Out	-	(54)	-
Community Development Fund Total	6,719	15,415	-
HOME Investment Partnerships Program			
HOME Investment Partnerships Program	1,250	1,250	-
HOME Investment Partnerships Program Total	1,250	1,250	-

BUDGET AUTHORITY BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024 - 2026
(DOLLARS IN MILLIONS)

	2024 Actual	2025 Enacted	2026 President's Budget
Housing Opportunities for Persons with AIDS			
Formula Grants	455	455	-
Competitive Grants	51	51	-
Housing Opportunities for Persons with AIDS Total	505	505	-
Preservation and Reinvestment Initiative for Community Enhancement			
Preservation and Reinvestment Initiative for Community Enhancement	10	10	-
Preservation and Reinvestment Initiative for Community Enhancement Total	10	10	-
Rural Housing and Economic Development			
Rescission	(2)	-	-
Rural Housing and Economic Development Total	(2)	-	-
Community Planning and Development Total	12,588	21,291	4,040
Housing Programs			
Project-Based Rental Assistance			
Contract Renewals	15,542	16,422	-
Contract Administrators	468	468	-
Project-Based Rental Assistance - Transfers In	48	51	-
Project-Based Rental Assistance Total	16,058	16,941	-
Housing Counseling Assistance			
Housing Counseling Assistance Program	53	53	-
Administrative Contract Services	5	5	-
Housing Counseling Assistance Total	58	58	-
Housing for the Elderly (Section 202)			
Elderly PRAC/SPRAC Renewals/Amendments	797	815	-
Service Coordinators/Congregate Services	112	112	-
Other Expenses	4	4	-
Housing for the Elderly (Section 202) - Transfers Out	(26)	(30)	-
Housing for the Elderly (Section 202) Total	887	901	-
Housing for Persons with Disabilities (Section 811)			
Disabled PRAC/PAC/PRA Renewals and Amendments	207	256	-
Other Expenses	1	1	-
Housing for Persons with Disabilities (Section 811) Total	208	257	-
Manufactured Housing Fee Trust Fund -- General Fund	14	14	14
Manufactured Housing Fee Trust Fund -- Receipts	(16)	(14)	(14)
Mutual Mortgage Insurance Program	150	150	160
Other Assisted Housing Programs	(105)	-	-
Housing Programs Total	17,254	18,307	160
Other Programs			
Policy Development and Research			
Research and Technology Activities	119	119	95
Eviction Protection Grants	20	20	-
Policy Development and Research Total	139	139	95

**BUDGET AUTHORITY BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024 - 2026
(DOLLARS IN MILLIONS)**

	2024 Actual	2025 Enacted	2026 President's Budget
Fair Housing and Equal Opportunity			
Fair Housing Activities	86	86	26
Fair Housing and Equal Opportunity Total	86	86	26
Office of Lead Hazard Control and Healthy Homes			
Healthy Homes	110	110	-
Lead Hazard Reduction Demonstration Program	105	105	-
Lead Hazard Reduction Grant Program	95	95	-
Aging in Place Modification Grants	30	30	-
Technical Studies and Assistance	3	3	-
Radon Testing and Mitigation Resident Safety Demonstration	2	2	-
Rescission	(65)	-	-
Unobligated Prior Year Balances Made Available	(49)	(49)	-
Office of Lead Hazard Control and Healthy Homes Total	231	296	-
Other Programs Total	456	521	121
Management and Administration			
Administrative Support Offices	685	686	581
Program Offices	1,092	1,142	871
Executive Offices	19	19	18
Ginnie Mae ^{d/}	57	57	56
Information Technology Fund (Direct Appropriation)	389	385	365
Office of the Inspector General	153	160	143
Working Capital Fund	[70]	[70]	[70]
Management and Administration Total	2,395	2,449	2,034
DISCRETIONARY PROGRAMS TOTAL, GROSS	75,538	89,088	43,455
Receipts and Collections			
Government National Mortgage Association			
Government National Mortgage Association Other Collections	(157)	(178)	(197)
Government National Mortgage Association Capital Reserve (Negative Subsidy)	(1,342)	(1,515)	(1,401)
Government National Mortgage Association Total	(1,499)	(1,693)	(1,598)
Housing Programs			
General Insurance and Special Risk Insurance Fund	(194)	(294)	(441)
MMI Fund Capital Reserve (Negative Subsidy)	(3,440)	(5,850)	(8,243)
Housing Programs Total	(3,634)	(6,144)	(8,684)
Receipts and Collections Total	(5,133)	(7,837)	(10,282)
DISCRETIONARY PROGRAMS TOTAL, NET	70,405	81,251	33,173
MANDATORY PROGRAMS			

BUDGET AUTHORITY BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024 - 2026
(DOLLARS IN MILLIONS)

	2024 Actual	2025 Enacted	2026 President's Budget
Mandatory Budget Authority			
Community Planning and Development			
Housing Trust Fund ^{e/}	205	215	290
Community Planning and Development Total	205	215	290
Government National Mortgage Association			
Guarantees of Mortgage-backed Securities Capital Reserve Account	1,342	1,515	1,401
Guarantees of Mortgage-backed Securities Liquidating Account	-	-	-
Government National Mortgage Association Total	1,342	1,515	1,401
Housing Programs			
FHA-Mutual Mortgage Insurance Capital Reserve Account	3,440	5,850	8,243
FHA-General and Special Risk Program Account	546	394	-
FHA-General and Special Risk Insurance Funds Liquidating Account	2	25	25
Home Ownership Preservation Equity Fund Program Account	1	-	-
Rental Housing Assistance Fund	-	-	-
Emergency Homeowners' Relief Fund	1	-	-
FHA-Mutual Mortgage and Cooperative Housing Insurance Funds Liquidating Account	-	-	-
Housing for the Elderly or Handicapped Fund Liquidating Account	-	(86)	(65)
Housing Programs Total	3,990	6,183	8,203
Public and Indian Housing Programs			
Indian Housing Loan Guarantee Fund Program Account	19	2	-
Native American Programs	1	1	-
Public and Indian Housing Programs Total	20	3	-
Mandatory Budget Authority Total	5,557	7,916	9,894
Mandatory Receipts			
Mandatory Receipts			
Title VI Indian Loan Guarantee Downward Reestimate	(1)	(2)	-
Community Development Loan Guarantees, Downward Reestimates	(4)	(2)	-
All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	(4)	(2)	(2)
Emergency Homeowners' Relief Fund, Downward Reestimates	-	(3)	-
Green Retrofit Program for Multifamily Housing, Downward Reestimates of Subsidies	(7)	(4)	-
Undistributed Intragovernmental Payments	(4)	(5)	(5)
Indian Housing Loan Guarantees, Downward Reestimates of Subsidies	(15)	(12)	-
Affordable Housing Allocation, Housing Trust Fund	(196)	(216)	(295)
FHA-General and Special Risk, Downward Reestimates of Subsidies	(2,013)	(1,530)	-
Mandatory Receipts Total	(2,244)	(1,776)	(302)
Mandatory Receipts Total	(2,244)	(1,776)	(302)
MANDATORY PROGRAMS TOTAL, NET	3,313	6,140	9,592
	-	-	-
TOTAL, NET HUD BUDGET AUTHORITY ^{f/}	73,718	87,391	42,765

a/ Includes transfers and rescissions

b/ The 2026 request includes \$4.4 billion advance appropriation available in FY 2027

c/ Includes disaster assistance

d/ includes contingent budget authority

e/ Includes available sequestered funds from a Prior Year appropriation

f/ Totals may not add due to rounding

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
BUDGET OUTLAYS BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024-2026
(DOLLARS IN MILLIONS)

	2024 Actual	2025 Enacted	2026 President's Budget
DISCRETIONARY PROGRAMS			
Public and Indian Housing Programs			
State Rental Assistance Program	-	-	23,859
Tenant Based Rental Assistance	32,789	34,588	10,571
Public Housing Fund	7,877	7,801	5,176
Native American Programs	1,074	1,374	1,331
Public Housing Capital Fund	625	180	210
Choice Neighborhoods Initiative	154	183	206
Self-Sufficiency Programs	142	203	201
Assisted Housing Inspections and Risk Assessments	2	35	29
Native Hawaiian Housing Block Grant	14	14	12
Indian Housing Loan Guarantee Fund Program Account	2	3	4
Revitalization of Severely Distressed Public Housing (HOPE VI)	3	2	2
Housing Certificate Fund	61	7	-
Public Housing Operating Fund	5	41	-
Public and Indian Housing Programs Total	42,748	44,431	41,601
Community Planning and Development			
Community Development Fund	9,434	12,978	13,429
Homeless Assistance Grants	3,230	3,901	3,908
Home Investment Partnership Program	1,172	1,565	1,521
Housing Opportunities for Persons with AIDS	489	486	508
Self-help and Assisted Homeownership Opportunity Program	50	67	70
Preservation and Reinvestment Initiative for Community Enhancement	-	-	27
Brownfields Redevelopment	-	1	1
Community Planning and Development Total	14,375	18,998	19,464
Housing Programs			
Project-based Rental Assistance	15,638	16,139	5,957
Housing for the Elderly	902	962	505
Housing for Persons with Disabilities	240	295	269
FHA-Mutual Mortgage Insurance Program Account	149	155	158
Housing Counseling Assistance	60	62	62
Other Assisted Housing Programs	34	34	31
Manufactured Housing Fees Trust Fund	9	14	17
Housing Programs Total	17,032	17,661	6,999
Government National Mortgage Association			
Guarantees of Mortgage-backed Securities Loan Guarantee Program Account	53	62	56
Government National Mortgage Association Total	53	62	56
Policy Development and Research			
Research and Technology	135	158	157
Policy Development and Research Total	135	158	157

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
BUDGET OUTLAYS BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024-2026
(DOLLARS IN MILLIONS)

	2024 Actual	2025 Enacted	2026 President's Budget
Fair Housing and Equal Opportunity			
Fair Housing Activities	68	89	97
Fair Housing and Equal Opportunity Total	68	89	97
Office of Lead Hazard Control and Healthy Homes			
Lead Hazard Reduction	183	418	397
Office of Lead Hazard Control and Healthy Homes Total	183	418	397
Management and Administration			
Program Offices	1,160	1,093	908
Administrative Support Offices	664	643	619
Information Technology Fund	336	361	339
Office of Inspector General	160	150	147
Working Capital Fund	67	70	72
Executive Offices	18	18	18
Community Planning and Development	4	4	4
Management and Administration Total	2,409	2,339	2,107
DISCRETIONARY PROGRAMS Total	77,003	84,156	70,878
DISCRETIONARY - OFFSETTING COLLECTIONS			
Public and Indian Housing Programs			
Public Housing Fund	(4)	-	-
Housing Certificate Fund	(3)	-	-
Tenant Based Rental Assistance	(5)	-	-
Native American Programs	(8)	-	-
Public Housing Capital Fund	(1)	-	-
Public and Indian Housing Programs Total	(21)	-	-
Community Planning and Development			
Community Development Fund	(61)	-	-
Homeless Assistance Grants	(10)	-	-
Home Investment Partnership Program	(2)	-	-
Community Planning and Development Total	(73)	-	-
Housing Programs			
Project-based Rental Assistance	(3)	-	-
Other Assisted Housing Programs	(1)	-	-
Housing for the Elderly	(6)	-	-
Housing for Persons with Disabilities	(3)	(4)	-
Flexible Subsidy Fund	(22)	(26)	(26)
FHA-Mutual Mortgage Insurance Capital Reserve Account	(3,440)	(5,850)	(8,243)
Housing Programs Total	(3,475)	(5,880)	(8,269)
Government National Mortgage Association			
Guarantees of Mortgage-backed Securities Loan Guarantee Program Account	(157)	(178)	(197)
Guarantees of Mortgage-backed Securities Capital Reserve Account	(1,342)	(1,515)	(1,401)
Government National Mortgage Association Total	(1,499)	(1,693)	(1,598)

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
BUDGET OUTLAYS BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024-2026
(DOLLARS IN MILLIONS)

	2024 Actual	2025 Enacted	2026 President's Budget
Management and Administration			
Administrative Support Offices	(3)	-	-
Program Offices	(1)	-	-
Office of Inspector General	(1)	-	-
Working Capital Fund	(70)	(70)	(70)
Management and Administration Total	(75)	(70)	(70)
DISCRETIONARY - OFFSETTING COLLECTIONS Total	(5,143)	(7,643)	(9,937)
DISCRETIONARY - RECEIPTS			
Department of Housing and Urban Development			
Mobile Home Inspection and Monitoring Fees, Manufactured Housing Fee Trust Fund	(16)	(14)	(14)
FHA-General and Special Risk, Negative Subsidies	(194)	(294)	(441)
Department of Housing and Urban Development Total	(210)	(308)	(455)
DISCRETIONARY - RECEIPTS Total	(210)	(308)	(455)
MANDATORY PROGRAMS			
Public and Indian Housing Programs			
Tenant Based Rental Assistance	1,192	1,141	1,106
Native American Programs	147	147	145
Indian Housing Loan Guarantee Fund Program Account	19	2	-
Public and Indian Housing Programs Total	1,358	1,290	1,251
Community Planning and Development			
Home Investment Partnership Program	295	1,704	1,371
Housing Trust Fund	482	577	479
Neighborhood Stabilization Program	2	16	24
Community Planning and Development Total	779	2,297	1,874
Housing Programs			
FHA-Mutual Mortgage and Cooperative Housing Insurance Funds Liquidating Account	(1)	10	10
Green and Resilient Retrofit Program for Multifamily Housing	2	52	3
FHA-Mutual Mortgage Insurance Program Account	4,173	1,498	-
FHA-General and Special Risk Program Account	546	394	-
Home Ownership Preservation Equity Fund Program Account	1	-	-
Emergency Homeowners' Relief Fund	1	-	-
Rental Housing Assistance Fund	-	-	(1)
FHA-General and Special Risk Insurance Funds Liquidating Account	(49)	1	(48)
Housing for the Elderly or Handicapped Fund Liquidating Account	(70)	(85)	(64)
FHA-Mutual Mortgage Insurance Capital Reserve Account	(23,975)	(24,715)	(5,030)
Housing Programs Total	(19,372)	(22,845)	(5,130)
Government National Mortgage Association			
Guarantees of Mortgage-backed Securities Loan Guarantee Program Account	1,181	621	633
Guarantees of Mortgage-backed Securities Liquidating Account	(7)	(6)	(6)
Guarantees of Mortgage-backed Securities Capital Reserve Account	(1,392)	(2,444)	(1,263)
Government National Mortgage Association Total	(218)	(1,829)	(636)

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
BUDGET OUTLAYS BY PROGRAM
COMPARATIVE SUMMARY, FISCAL YEARS 2024-2026
(DOLLARS IN MILLIONS)

	2024 Actual	2025 Enacted	2026 President's Budget
Fair Housing and Equal Opportunity			
Fair Housing Activities	3	1	-
Fair Housing and Equal Opportunity Total	3	1	-
Management and Administration			
Program Offices	8	19	15
Information Technology Fund	4	3	6
Administrative Support Offices	9	3	-
Management and Administration Total	21	25	21
MANDATORY PROGRAMS Total	(17,429)	(21,061)	(2,620)
MANDATORY - RECEIPTS			
Department of Housing and Urban Development			
Green Retrofit Program for Multifamily Housing, Downward Reestimates of Subsidies	(7)	(4)	-
Title VI Indian Loan Guarantee Downward Reestimate	(1)	(2)	-
Indian Housing Loan Guarantees, Downward Reestimates of Subsidies	(15)	(12)	-
Community Development Loan Guarantees, Downward Reestimates	(4)	(2)	-
Emergency Homeowners' Relief Fund, Downward Reestimates	-	(3)	-
FHA-General and Special Risk, Downward Reestimates of Subsidies	(2,013)	(1,530)	-
All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	(4)	(2)	(2)
Undistributed Intragovernmental Payments	(4)	(5)	(5)
Affordable Housing Allocation, Housing Trust Fund	(196)	(216)	(295)
Department of Housing and Urban Development Total	(2,244)	(1,776)	(302)
MANDATORY - RECEIPTS Total	(2,244)	(1,776)	(302)
TOTAL, HOUSING AND URBAN DEVELOPMENT OUTLAYS (NET)	51,977	53,368	57,564

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FULL-TIME EQUIVALENT (FTE) EMPLOYMENT

(Excludes Overtime and Terminal Leave)

	2024	2025			2026		
	Actuals	Carryover	Enacted	Total	Carryover	President's Budget	Total
Salaries and Expenses	7,954	392	7,430	7,822	140	5,497	5,637
Other Funds:							
Working Capital Fund.....	18	-	14	14	-	14	14
GNMA.....	210	33	230	263	10	219	229
Office of Inspector General.....	500		498	498		460	460
Subtotal.....	728	33	742	775	10	693	703
Total, HUD FTEs.....	8,682	425	8,172	8,597	150	6,190	6,340

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Public and Indian Housing State Rental Assistance Program

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	-	-	-	-	-	-
2025 Appropriation	-	-	-	-	-	-
2026 President's Budget	36,212,000	-	-	36,212,000	31,812,000	23,859,000
Change from 2025	36,212,000	-	-	36,212,000	31,812,000	23,859,000

a/ The 2026 request includes \$4.4 billion advance appropriation available in FY 2027.

PROGRAM PURPOSE

The State Rental Assistance Program would transform the current complex system of rental assistance into a State-based formula grant that would empower State governments to design their own rental assistance initiatives based on their unique needs and preferences. This program would provide each State the opportunity to decide on how best to provide access to housing choice and better housing opportunities for very low- and extremely low-income families and provide assistance for their most vulnerable populations: the elderly and persons with disabilities.

BUDGET OVERVIEW

The 2026 President's Budget requests \$36.2 billion for the State Rental Assistance Program, including a \$4.4 billion advance appropriation available in FY 2027. The 2026 Budget recognizes a greater role for State and local governments, the private sector, and non-profits, to address housing affordability needs in localities across the Nation. HUD will continue to seek ways to partner with States to reform policies and reduce regulatory barriers to allow communities to transform neighborhoods and unleash the potential of their residents.

This program will distribute block grants to States, by formula. It will require that States:

1. Prioritize the rental assistance needs of the elderly and disabled;
2. Consider currently assisted households; and
3. Incentivize self-sufficiency among non-elderly, non-disabled residents, through the implementation of two-year time limits, as well as any other appropriate means.

The funding also includes \$25 million for Foster Youth to Independence grants for housing assistance.

This program would require authorizing language which would create a new program to replace all of HUD's current rental assistance subsidy programs: Housing Choice Vouchers, Public Housing, Project-Based Rental Assistance, Housing for the Elderly (Section 202), and Housing for Persons with Disabilities (Section 811). Authorizing language would also create the Foster Youth to Independence grant program.

JUSTIFICATION

The State Rental Assistance Program would be designed to allow States to develop their own programs and priorities for rental assistance based on their specific needs. The new program would allocate funds by formula to States. The formula would consider data on prior-year occupied housing units receiving rental assistance and could favor assistance provided for households with elderly or disabled residents over non-elderly non-disabled households. The formula could also be gradually adjusted to be more representative of the relative needs of each State, and in accordance with changing needs over time. HUD may also consider how to best incentivize State contributions.

HUD's expectation is that States will prioritize the funding to meet the needs of low-income elderly households and households that include people with disabilities. Rental assistance for non-elderly, non-disabled households would be limited to two years. HUD may consider, as a condition of receiving funding, requiring States to provide data to HUD on all individuals receiving assistance.

Within established rules, States would be free to design a program that works best for their local needs. For example, they could continue with a system like the current system, they could block grant to local governments, or they could provide direct cash grants to recipients. They could also provide shallower subsidies to more families or deeper subsidies to fewer. State and local governments could also supplement Federal funds with their own funding to maintain assistance for households that were served under the prior HUD rental assistance programs. Instead of spending time and money conforming with centralized HUD rules, States would be free to experiment and find local solutions to help local families. The new program would strip away bureaucracy and allow federal funds to flow more efficiently to targeted beneficiaries.

Through funding in the Research and Technology (R&T) account, HUD would offer implementation support to States by providing tools, templates, and supports to guide States in designing rental assistance programs that meet their unique local needs. HUD would also provide targeted/risk-based direct assistance to States and support the sharing of best practices among States pursuing a transition from existing HUD agreements with affordable housing providers to State or local agreements with these providers.

Foster Youth to Independence Grants

The Foster Youth to Independence grants would provide noncompetitive grants to States to provide housing assistance on behalf of youth that: 1) are at least 18 years and not more than 24 years of age (i.e., have not reached their 25th birthday); 2) left foster care or will leave foster care within 90 days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act; and 3) are homeless or at risk of becoming homeless at age 16 or older. Assistance issued to such a youth may only be used to provide housing assistance for the youth for a maximum of 36 months.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
State Rental Assistance	-	-	-	-	-	-	-	31,787,000
Foster Youth Housing	-	-	-	-	-	-	-	25,000
State Rental Assistance Program Advance Appropriations	-	-	-	-	-	-	-	4,400,000
Total	-	-	-	-	-	-	-	36,212,000

APPROPRIATIONS LANGUAGE

STATE RENTAL ASSISTANCE PROGRAM

For the state rental assistance program, \$31,787,000,000, to remain available until September 30, 2030, which shall be available on October 1, 2025, and \$4,400,000,000, to remain available until September 30, 2031, which shall be available on October 1, 2026: Provided, That such amounts shall be allocated by a formula to be developed by the Secretary and which may be adjusted annually to respond to changing needs and circumstances, as determined by the Secretary: Provided further, That, for fiscal year 2026, such formula shall allocate such amounts based on assistance provided for households in calendar year 2025 by rental assistance programs administered by the Secretary and not funded under this heading, and other factors, prioritizing those households in which the elderly or persons with disabilities reside: Provided further, That the Secretary shall establish program requirements to incentivize self-sufficiency, as appropriate, including but not limited to two-year time limits on assistance for households in which neither the elderly nor persons with disabilities reside: Provided further, That for any rental assistance program administered by the Secretary and not funded under this heading, the Secretary may waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with such program, upon a finding by the Secretary that any such waivers or alternative requirements are necessary to facilitate the implementation of the state rental assistance program: Provided further, That an additional \$25,000,000, to remain available until September 30, 2030, shall be for the foster youth housing program, and such additional amounts shall be allocated noncompetitively based on need, as determined by the Secretary.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Tenant-Based Rental Assistance

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	32,386,831	4,300,754	42,090	36,729,675	33,169,683	33,976,000
2025 Appropriation	36,041,000	3,562,260	28,000	39,631,260	37,583,135	35,729,000
2026 President's Budget	-	2,047,944	-	2,047,944	6,047,944	11,677,000
Change from 2025	(36,041,000)	(1,514,316)	(28,000)	(37,583,316)	(31,535,191)	(24,052,000)

a/ 2024 Enacted includes \$6 billion in the Tenant-Based Rental Assistance appropriation designated as an emergency requirement.

b/ 2024 Carryover includes \$1.2 billion in discretionary resources, of which \$7.2 million are Section 8 Contract Renewals funds recaptured in 2024, and \$3.1 billion mandatory American Rescue Plan (ARP) balances.

c/ 2024 Adjustments include a \$42 million appropriations transfer from the Public Housing Fund for units converting under the Rental Assistance Demonstration (RAD).

d/ 2025 Enacted includes \$6 billion in the Tenant-Based Rental Assistance appropriation designated as an emergency requirement.

e/ 2025 Carryover includes \$1.9 billion in discretionary resources, \$1.7 billion mandatory ARP balances, and \$3 million in Section 8 Contract Renewals recaptures.

f/ 2025 Adjustments reflect a net \$28 million consisting of estimated \$5 million tenant protection voucher transfers from Tenant-Based Rental Assistance to Project-Based Rental Assistance; \$2 million transfer from the Housing for the Elderly account; and \$31 million from the Public Housing Fund for units converting under RAD.

g/ 2026 Obligations include \$4 billion provided as an advance by the 2025 enacted appropriations.

The 2026 President's Budget eliminates funding for the Tenant-Based Rental Assistance (TBRA) program, reducing spending by \$36 billion compared to the 2025 Enacted level.

TBRA, also known as the Housing Choice Voucher (HCV) program, is authorized under Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) and is administered locally by approximately 2,100 Public Housing Agencies (PHAs) that currently serve approximately 2.3 million families. The HCV program helps low-income families, elderly persons, veterans, and disabled individuals afford housing in the private market. Program participants can choose any eligible housing unit, with rent partially covered by a subsidy paid directly to the landlord.

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and non-profits to address community and economic development needs in localities across the Nation. Thus, HUD will continue to seek ways to partner with these governmental and private entities to adopt policies and reduce regulatory barriers that would allow communities to transform neighborhoods and unleash the potential of their residents.

Please see the State Rental Assistance Program justification for more details.

TENANT-BASED RENTAL ASSISTANCE (TBRA)

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Adjustments	2025 Total Resources	2026 President's Budget
Section 8 Contract Renewals	28,490,955	527,921	42,090	29,060,966	28,251,365	32,145,124	811,399	172,000	33,128,523	-
<i>Renewal Set-Aside [Non-Add]</i>	<i>200,000</i>	<i>59,853</i>	<i>-</i>	<i>259,853</i>	<i>-</i>	<i>200,000</i>	<i>194,280</i>	<i>144,000</i>	<i>538,280</i>	<i>-</i>
<i>Advanced Appropriations from last Fiscal Year [Non-Add]</i>	<i>4,000,000</i>	<i>-</i>	<i>-</i>	<i>4,000,000</i>	<i>-</i>	<i>4,000,000</i>	<i>-</i>	<i>-</i>	<i>4,000,000</i>	<i>-</i>
<i>Advance Appropriations for next Fiscal Year [Non-Add]</i>	<i>4,000,000</i>	<i>-</i>	<i>-</i>	<i>4,000,000</i>	<i>-</i>	<i>4,000,000</i>	<i>-</i>	<i>-</i>	<i>4,000,000</i>	<i>-</i>
<i>Rental Assistance Demonstration (Public Housing) [Non-Add]</i>	<i>-</i>	<i>14,507</i>	<i>42,090</i>	<i>56,597</i>	<i>41,000</i>	<i>-</i>	<i>14,625</i>	<i>28,000</i>	<i>42,625</i>	<i>-</i>
<i>Tribal HUD-VASH [Non-Add]</i>	<i>7,500</i>	<i>7,395</i>	<i>-</i>	<i>14,895</i>	<i>9,987</i>	<i>7,500</i>	<i>7,443</i>	<i>-</i>	<i>14,943</i>	<i>-</i>
<i>Classified as Emergency/Disaster [Non-Add]</i>	<i>6,000,000</i>	<i>-</i>	<i>-</i>	<i>6,000,000</i>	<i>-</i>	<i>6,000,000</i>	<i>-</i>	<i>-</i>	<i>6,000,000</i>	<i>-</i>
Section 8 Rental Assistance (Tenant Protection Vouchers)	337,000	207,238	-	544,238	186,030	337,000	358,208	(123,000)	572,208	-
<i>Set-Aside - Tenant Protection Assistance Low Vacancy [Non-Add]</i>	<i>5,000</i>	<i>-</i>	<i>-</i>	<i>5,000</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Administrative Fees	2,770,935	296,101	-	3,067,036	2,627,823	2,770,935	439,212	(26,000)	3,184,147	-
<i>Set-Aside - Assistance to PHAs [Non-Add]</i>	<i>30,000</i>	<i>-</i>	<i>-</i>	<i>30,000</i>	<i>-</i>	<i>30,000</i>	<i>-</i>	<i>-</i>	<i>30,000</i>	<i>-</i>
Administrative Fees - (CARES Act)	-	153	-	153	-	-	-	-	-	-
Mainstream 811 Voucher Renewals	742,941	24,843	-	767,784	625,710	742,941	142,665	30,000	915,606	-
HUD-VASH	15,000	89,182	-	104,182	34,503	15,000	69,878	-	84,878	-
Mobility-Related Social Services	-	25,000	-	25,000	24,510	-	490	-	490	-
New Incremental Vouchers	-	1,419	-	1,419	331	-	1,088	-	1,088	-
Family Unification Program (FUP) Vouchers	30,000	47,675	-	77,675	23,411	30,000	54,263	(25,000)	59,263	-
FSS Coordinator	-	26	-	26	-	-	26	-	26	-
Homelessness and Domestic Violence	-	165	-	165	-	-	-	-	-	-
Mobility Demonstration	-	5,031	-	5,031	-	-	5,031	-	5,031	-
Total	32,386,831	1,224,754	42,090	33,653,675	31,773,683	36,041,000	1,882,260	28,000	37,951,260	-

a/ 2023 Carryover Into 2024 includes \$7 million in 2024 recaptures and excludes the \$3.1 billion in ARP balances.

b/ 2024 Adjustments include \$42 million in transfers from the Public Housing Fund.

c/ 2024 Obligations exclude \$1.396 billion in APR funds.

d/ 2025 Carryover Into 2025 includes \$3 million in Contract Renewals funds recaptures and excludes \$1.7 billion in ARP balances.

e/ 2025 Adjustments include a net \$28 million transfer into Tenant-Based Rental Assistance (TBRA). This is made up of an estimated \$5 million tenant protection voucher transfer from TBRA to Project-Based Rental Assistance, and transfers to TBRA of \$2 million from the Housing for the Elderly and \$31 million from the Public Housing Fund. Also includes reallocations of a total of \$144 million into the Contract Renewals set-aside and \$30 million into the Mainstream Vouchers set-aside to prevent shortfalls.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Public Housing Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	8,810,784	590,672	(84,019)	9,317,437	8,595,597	7,873,370
2025 Appropriation	8,810,784	742,803	(48,836)	9,504,751	8,762,000	7,801,000
2026 President's Budget	-	742,745	-	742,745	625,000	5,176,000
Change from 2025	(8,810,784)	(58)	48,836	(8,762,006)	(8,137,000)	(2,625,000)

a/ 2024 Total Resources include \$591 million in carryover, \$20 million in rescission pursuant to P.L. 118-42, and \$64 million in actual transfers for subsidy payments for units converting under the Rental Assistance Demonstration (RAD).

b/ 2025 Total Resources is net of \$49 million estimated to be transferred for RAD.

The 2026 President's Budget eliminates funding for the Public Housing program, reducing spending by \$8.8 billion compared to the 2025 Enacted level.

The Public Housing Fund supports the Public Housing program by providing Federal grants necessary for Public Housing Agencies to operate, maintain, preserve, and make capital improvements to approximately 870,000 affordable public housing units, serving over 1.6 million residents across 770,000 households. Public housing is a partnership between the Federal Government and local administration from Public Housing Authorities.

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address community and economic development needs in localities across the Nation. Thus, HUD will continue to seek ways to partner with these governmental and private entities to adopt policies and reduce regulatory barriers that would allow communities to transform neighborhoods and unleash the potential of their residents.

Please see the State Rental Assistance Program justification for more details.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Adjustments	2025 Total Resources	2026 President's Budget
Public Housing Formula Grants (Operating Expenses)	5,475,784	458,070	-	5,933,854	5,232,640	5,475,784	666,725	-	6,142,509	-
Public Housing Formula Grants - Shortfall Prevention	25,000	389	-	25,389	25,171	25,000	454	-	25,454	-
Public Housing Formula Grants (Capital Expenses)	3,200,000	21,563	-	3,221,563	3,188,666	3,200,000	15,263	-	3,215,263	-
Emergency Disaster Grants	20,000	14,270	-	34,270	18,468	20,000	15,300	-	35,300	-
Set-Aside for Safety and Security Grants	10,000	324	-	10,324	13,978	10,000	187	-	10,187	-
Financial and Physical Assessment Support	-	60,659	-	60,659	13,015	-	31,047	-	31,047	-
Troubled At Risk PHAs	15,000	14,744	-	29,744	15,918	15,000	13,827	-	28,827	-
Housing Health Hazards	40,000	-	-	40,000	40,000	40,000	-	-	40,000	-
Lead-Based Hazards	25,000	20,635	-	45,635	47,741	25,000	-	-	25,000	-
Radon Testing	-	18	-	18	-	-	-	-	-	-
Rental Assistance Demonstration (transfer) and FY2024 Rescission	-	-	(84,019)	(84,019)	-	-	-	(48,836)	(48,836)	-
Total	8,810,784	590,672	(84,019)	9,317,437	8,595,597	8,810,784	742,803	(48,836)	9,504,751	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Office of Public and Indian Housing
Assisted Housing Inspections and Risk Assessments (AHIRA)

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	50,000	-	-	50,000	16,093	2,229
2025 Appropriation	50,000	33,906	-	83,906	50,000	35,000
2026 President's Budget	-	33,906	-	33,906	10,000	29,000
Change from 2025	(50,000)	-	-	(50,000)	(40,000)	(6,000)

The 2026 President's Budget eliminates funding for the Assisted Housing Inspections and Risk Assessments (AHIRA) account, reducing spending by \$50 million compared to the 2025 Enacted level.

The AHIRA account supports residents of HUD housing by funding financial, physical, operational and other risk-based assessments across Public Housing, Multifamily Housing, FHA-insured Residential Health Care Facilities, and other HUD rental housing portfolios covered by the National Standards for the Physical Inspection of Real Estate (NSPIRE).

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address community and economic development needs in localities across the Nation. Thus, HUD will continue to seek ways to partner with these governmental and private entities to adopt policies and reduce regulatory barriers that would allow communities to transform neighborhoods and unleash the potential of their residents. Any assessment costs incurred in 2026 during the transition to the State Rental Assistance Program or for properties in programs that are not transitioning to the State Rental Assistance Program will be funded out of carryover.

Please see the State Rental Assistance Program justification for more details.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Assisted Housing Inspections and Risk Assessments	50,000	-	50,000	16,093	50,000	33,906	83,906	-
Total	50,000	-	50,000	16,093	50,000	33,906	83,906	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Housing Certificate Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	-	9,124	-	9,124	5,924	57,518
2025 Appropriation	-	3,378	-	3,378	3,378	7,000
2026 President's Budget	-	-	-	-	-	-
Change from 2025	-	(3,378)	-	(3,378)	(3,378)	(7,000)

PROGRAM PURPOSE

The Housing Certificate Fund (HCF) is best described as a composite account. Prior to 2005, it funded contracts that are now administered in the Tenant-Based Rental Assistance (TBRA) and Project-Based Rental Assistance (PBRA) programs. Beginning in 2005, the account stopped receiving annual appropriations, and the TBRA and PBRA accounts were established. In 1998, some smaller accounts (including Annual Contributions for Assisted Housing) were consumed by HCF, making it an even more eclectic mix. The HCF account also received recaptures of any undisbursed funds remaining on contracts at termination. Per the appropriations language, the recaptures were either cancelled or re-appropriated (depending on the source year). Eligible uses of HCF recaptures were PBRA contract renewals, amendments, and contract administrators.

BUDGET OVERVIEW

The 2026 President's Budget does not continue the re-use of Housing Certificate Fund recaptures. There are few remaining contracts in this account that could be recaptured, and HUD does not forecast resources in this account in 2026.

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address community and economic development needs in localities across the Nation. HUD will continue to seek ways to partner with these governmental and private entities to reform policies and reduce regulatory barriers to transform neighborhoods and unleash the potential of their residents.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Contract Administrators	-	9,124	9,124	5,924	-	3,378	3,378	-
Total	-	9,124	9,124	5,924	-	3,378	3,378	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Choice Neighborhoods

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	75,000	260,932	-	335,932	335,932	154,108
2025 Appropriation	75,000	-	-	75,000	75,000	183,000
2026 President's Budget	-	-	-	-	-	206,000
Change from 2025	(75,000)	-	-	(75,000)	(75,000)	23,000

The 2026 President's Budget eliminates funding for the Choice Neighborhoods program, reducing spending by \$75 million compared to the 2025 Enacted level.

Choice Neighborhoods is a place-based grant program which helps communities develop and implement neighborhood plans to transform underserved neighborhoods. Grants are either planning grants, which develop a plan for transformation, or implementation grants, which are larger grants to implement those plans.

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address community and economic development needs in localities across the Nation. Thus, HUD will continue to seek ways to partner with these governmental and private entities to adopt policies and reduce regulatory barriers that would allow communities to transform neighborhoods and unleash the potential of their residents.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Choice Neighborhoods Grants	75,000	260,932	335,932	335,932	75,000	-	75,000	-
Total	75,000	260,932	335,932	335,932	75,000	-	75,000	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Self-Sufficiency Programs

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	195,500	200,699	-	396,199	203,304	141,851
2025 Appropriation	195,500	197,815	-	393,315	181,000	203,000
2026 President's Budget	-	212,000	-	212,000	212,000	201,000
Change from 2025	(195,500)	14,185	-	(181,315)	31,000	(2,000)

a/ Carryover in 2024 includes \$11 million in recoveries.

b/ Carryover in 2025 includes \$6.9 million in actual and anticipated recoveries.

The 2026 President's Budget eliminates funding for Self-Sufficiency Programs (SSP), reducing spending by \$195.5 million compared to the 2025 Enacted level.

The Family Self-Sufficiency (FSS), Jobs Plus, and Resident Opportunity and Self-Sufficiency (ROSS) programs provide funding for case management and service coordination, while also focusing on building employment skills, connecting residents to educational resources, health care, and other services.

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and non-profits to address community and economic development needs in localities across the Nation. Thus, HUD will continue to seek ways to partner with these governmental and private entities to adopt policies and reduce regulatory barriers that would allow communities to transform neighborhoods and unleash the potential of their residents.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Family Self-Sufficiency	140,500	137,152	277,652	132,673	140,500	149,652	290,152	-
Jobs-Plus Initiative	15,000	22,521	37,521	30,934	15,000	6,587	21,587	-
Resident Opportunity and Self-Sufficiency	40,000	41,026	81,026	39,697	40,000	41,576	81,576	-
Total	195,500	200,699	396,199	203,304	195,500	197,815	393,315	-

a/ Carryover in 2024 includes \$11 million in recoveries.

b/ Carryover in 2025 includes \$6.9 million in actual and anticipated recoveries.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Native American Programs

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	1,344,000	235,247	-	1,579,247	1,331,421	1,066,000
2025 Appropriation	1,344,000	246,245	-	1,590,245	1,355,000	1,374,000
2026 President's Budget	887,000	234,000	-	1,121,000	1,116,000	1,331,000
Change from 2025	(457,000)	(12,245)	-	(469,245)	(239,000)	(43,000)

a/ Totals in the table may differ from the budget appendix due to rounding.

PROGRAM PURPOSE

The Native American Programs encompass a set of grant and loan guarantee programs, including the Indian Housing Block Grant (IHBG), that provide critical resources to Tribal communities and ensure that Native Americans have access to housing and essential services.

BUDGET OVERVIEW

The 2026 President's Budget requests \$887 million for Native American Programs, which is \$457 million below the 2025 Enacted level. The Budget includes funding for the following activities:

- \$872 million for IHBG formula grants, including up to \$2 million for Technical Formula Support;
- \$5 million for Indian Community Development Block Grant (ICDBG) program imminent threat grants;
- \$10 million for grants to house homeless Tribal veterans; and
- Up to \$50 million in commitment authority for the Title VI Loan Guarantee program, funded by unobligated credit subsidy carried over from prior years.

JUSTIFICATION

Tribal sovereignty and Tribal self-determination drive HUD's Indian housing programs. These principles are grounded in long-standing treaties, court decisions, statutes, Executive Orders, the U.S. Constitution, and the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), which allows Tribes to tailor their affordable housing programs to their own local needs.

In January 2017, HUD published *Housing Needs of American Indians and Alaska Natives in Tribal Areas* (Housing Needs Study), still the most comprehensive national study of housing needs in Indian Country since the enactment of NAHASDA.¹ The study found that, under NAHASDA, Tribes

¹ <https://www.huduser.gov/portal/publications/HNAIHousingNeeds.html>

matched or exceeded the previous rate of assisted housing production accomplished under prior, pre-NAHASDA, HUD programs. Tribal leaders and administrators interviewed for the study almost uniformly prefer operations under NAHASDA to the prior system.

Federal investment in Native American housing programs supports the health and safety of Native Americans and Tribal communities. The Housing Needs Study found that the physical housing problems for households in Tribal areas are much more severe than for U.S. households on average.

In Tribal areas, homelessness often shows up as overcrowding. According to the Housing Needs Study, between 42,000 and 85,000 Native Americans are “doubled up.” This means they are living with family or friends because they have no place else to stay and would otherwise be staying in a homeless shelter or in a place not meant for human habitation.

Despite these substantial challenges, Tribes and Tribally Designated Housing Entity (TDHE) remain resilient, continuing to deliver housing assistance and services to low-income members of their communities.

Indian Housing Block Grant Formula

The 2026 President’s Budget requests \$872 million for IHBG formula grants, which is \$239 million less than the 2025 Enacted level. The Budget allows up to \$2 million of the formula funds to be used to support the formula allocation process.

The IHBG formula grant represents the core of the Federal Government’s support for housing in Tribal communities. The tenets of the Tribal self-determination policy are embodied in the IHBG program; Tribes have repeatedly demonstrated that they are able to leverage their IHBG funds and use them as a catalyst for community and economic development throughout Indian Country. The program helps stabilize communities and build healthy economies within American Indian and Alaska Native communities.

Due to remote locations, housing development in Tribal regions face more significant challenges related to securing additional investment and leveraging other dollars compared to other municipalities. Additionally, Tribes are facing increasingly critical housing needs and challenges, including limited and aging housing stock; severe overcrowding; complex material shipping logistics; and lack of infrastructure.

In 2024, IHBG funds were used to build or acquire over 600 affordable housing units and substantially rehabilitate over 4,100 units. Since the inception of the IHBG program, IHBG funds have been used to build or acquire more than 43,700 affordable housing units and rehabilitated more than 117,000 units.

Imminent Threat Grants

The 2026 President’s Budget requests \$5 million for imminent threat grants under the Indian Community Development Block Grant. Imminent threat grants are allocated on a first-come, first-served basis for qualifying disasters and other emergencies. In 2024, some of the projects in Tribal communities included repairs following storm damage, repair of a road system impacted by a landslide, and replacement of homes that were damaged by a tornado.

Title VI Loan Guarantee

The 2026 President's Budget provides no funding for the Title VI program, which is \$1 million less than the 2025 Enacted level. The Budget requests \$50 million of commitment authority to allow for the program to continue to issue loans using carryover funding from prior years.

The program encourages private lenders to finance Tribal housing development activities. The program provides Tribes with the option of pledging future IHBG funds as collateral to raise substantial capital to finance larger scale affordable housing projects.

Housing of Homeless Tribal Veterans

The 2026 President's Budget requests \$10 million to support homeless Tribal veterans. This program (formerly, the "Tribal HUD-Veterans Affairs Supporting Housing (VASH)" program) will provide grants to Tribes and Tribally Designated Housing Entity (TDHE) for rental assistance and supportive services to Tribal veterans who are homeless or at risk of homelessness living on or near a reservation or other Indian areas. This funding would allow Tribal veterans to remain housed while receiving case management and other services from the U.S Department of Veterans Affairs.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Indian Housing Block Grant Formula	1,111,000	8,024	1,119,024	1,106,747	1,111,000	12,139	1,123,139	872,000
Indian Housing Block Grant Competitive	150,000	150,874	300,874	150,874	150,000	150,000	300,000	-
Indian Community Development Block Grant	75,000	69,783	144,783	72,030	75,000	72,771	147,771	5,000
Title Guarantee - Title VI (Credit Subsidy)	1,000	5,300	6,300	527	1,000	4,300	5,300	-
National and Regional Organizations	2,000	-	2,000	-	2,000	2,000	4,000	-
Technical Assistance	5,000	-	5,000	-	5,000	5,000	10,000	-
Formula Support [Non-Add]	-	-	-	-	-	-	-	2,000
Indian Community Development Block Grant - CARES Act	-	27	27	-	-	-	-	-
Indian Community Development Block Grant (ARP Act)	-	1,239	1,239	1,243	-	35	35	-
Tribal HUD-VASH	-	-	-	-	-	-	-	10,000
Total	1,344,000	235,247	1,579,247	1,331,421	1,344,000	246,245	1,590,245	887,000

a/ Totals in the table may differ from the budget appendix due to rounding.

b/ 2023 Carryover into 2024 includes \$1 million in Indian Community Development Block Grant (ARP Act) recaptures.

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For activities and assistance authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (in this heading "NAHASDA") (25 U.S.C. 4111 et seq.), title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) with respect to Indian tribes, and related training and technical assistance, \$887,000,000, to remain available until September 30, 2030: Provided, That of the sums appropriated under this heading—

- (1) \$872,000,000 shall be available for the Native American housing block grants program, as authorized under title I of NAHASDA: Provided, That, notwithstanding NAHASDA, to determine the amount of the allocation under title I of such Act for each Indian tribe, the Secretary shall apply the formula under section 302 of such Act with the need component based on single-race census data and with the need component based on multi-race census data, and the amount of the allocation for each Indian tribe shall be the greater of the two resulting allocation amounts: Provided further, That, of the amount provided under this paragraph, up to \$2,000,000 may be used by the Secretary to support administration of the allocation formula established under section 302 of NAHASDA (25 U.S.C. 4152), notwithstanding the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. Chapter 63);*
- (2) \$10,000,000, shall remain available until expended, for noncompetitive grants to recipients that received a Tribal HUD-Veterans Affairs Supportive Housing grant in prior years, to be available under the same terms and conditions as funds specified under paragraph (5) under the heading "Public and Indian Housing—Tenant-Based Rental Assistance" in Public Law 118–42; and*
- (3) \$5,000,000 shall be available for grants to Indian tribes for carrying out the Indian community development block grant program under title I of the Housing and Community Development Act of 1974, notwithstanding any other provision of law (including section 106(a)(1) of such Act and section 202 of this Act), for emergencies that constitute imminent threats to health and safety: Provided, That not to exceed 20 percent of any grant made with such amounts shall be expended for planning and management development and administration:*

Provided further, That amounts made available in prior Acts for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA, that are unobligated, including recaptures and carryover, may be available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed \$50,000,000, to remain available until September 30, 2027: Provided further, That such costs, including the cost of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a).

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Indian Housing Loan Guarantee Fund (Section 184)

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	1,500	8,840	-	10,340	714	1,987
2025 Appropriation	1,500	11,000	-	12,500	6,000	3,000
2026 President's Budget	1,400	9,000	-	10,400	5,000	4,000
Change from 2025	(100)	(2,000)	-	(2,100)	(1,000)	1,000

a/ The table above reflects only discretionary budget authority; mandatory budget authority for upward re-estimates and interest is excluded.

PROGRAM PURPOSE

The Indian Housing Loan Guarantee Fund (also known as the Section 184 program) is a loan guarantee program that facilitates homeownership and increases access to private capital for American Indian and Alaska Native families, Indian Tribes, and Tribally Designated Housing Entities (TDHEs). The Section 184 program provides an incentive for private lenders to make home mortgages available to Native Americans on favorable terms by providing a 100-percent guarantee in the event of a loan default. By providing this loan guarantee, the Section 184 program helps to address the major housing challenges for many Tribal communities, as noted by the 2017 HUD report, *Housing Needs of American Indians and Alaska Natives in Tribal Areas*: overcrowding and a lack of available housing.¹

BUDGET OVERVIEW

The 2026 President's Budget requests \$1.4 million for the Section 184 program, which is \$100 thousand less than the 2025 Enacted level. The Budget is comprised of \$1 million for credit subsidy and \$400 thousand for administrative contract expenses. The Budget requests \$1.2 billion in loan commitment authority. In 2026, the credit subsidy rate is 0.74 percent. Over its history, the Section 184 program has experienced very low claims. This is partly because Tribes continue to proactively provide housing counseling and support to keep families in their homes and to provide critical support to families to avoid defaults and unnecessary foreclosures.

The administrative contract expenses request will support needs, such as data integrity efforts to improve oversight and resolve outstanding Office of Inspector General findings related to risk mitigation, costs associated with data management for subsidy rate analysis, contractual needs for legal information services, information services, underwriting, and property and preservation services.

¹ <https://www.huduser.gov/portal/publications/HNAIHousingNeeds.html>

JUSTIFICATION

The 2017 HUD report *Mortgage Lending on Tribal Land* found that the Section 184 program has helped address the functional market barrier to private lending presented by Tribal trust land.² Historically, American Indians and Alaska Natives have had limited retail banking opportunities and limited access to private mortgage capital primarily because much of the land in Indian Country is held in trust by the Federal Government and cannot be used as collateral. Before a lien can be placed on a property on trust land, it must receive Federal approval through the U.S. Department of the Interior's Bureau of Indian Affairs. Prospective homeowners can find mortgage lending to be challenging for properties located on fee simple land as well. Native American families may also have limited experience dealing with mainstream financial institutions and have limited incomes, assets, and credit histories.

The Section 184 program maximizes the Federal investment by insuring thousands of loans each year and enabling the private mortgage market to serve Indian Country. HUD expects to receive and process approximately 1,600 loans in FY 2026, potentially helping the same number of Tribal families, Tribes and TDHEs finance homes.

Key Assumptions

The 2026 Budget assumes the 2026 credit subsidy rate is 0.74 percent. In addition to the \$1 million in new budget authority requested for subsidy costs, the Budget assumes the use of \$2.47 million of carryover subsidy BA to support 2026 loans. HUD estimates that the program will support approximately \$484 million in mortgages in 2026.

Stakeholders

Stakeholders include American Indian and Alaska Native borrowers, Tribes, TDHEs, and Section 184-approved lenders. ONAP works with financial institutions to encourage private lending, which provides a path for Native American families to become homeowners.

Operational Improvements and Efficiencies

HUD continues to make progress towards modernizing the Section 184 program using prior year Information Technology (IT) Fund appropriations, which will help reduce potential risk to the Federal Government. Under the Office of the Chief Information Officer's leadership, the Office of Public and Indian Housing (PIH) is developing *Native Advantage*, which is a multi-year information technology modernization initiative. The Claims Module is now fully automated, and the Origination Module is currently in development. HUD will continue to provide the Congress with progress updates on the development of the system.

In March 2024, HUD published a final rule that updated the Section 184 regulations. HUD is currently working on developing a Handbook with Tribal input to implement the regulations.

² <https://www.huduser.gov/portal/publications/NAHSC-Lending.html>

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Loan Guarantee Credit Subsidy	1,500	5,029	6,529	348	1,500	6,219	7,719	1,000
Administrative Contract Expenses	-	2,084	2,084	366	-	1,718	1,718	400
Skilled Workers Loan Credit Subsidy	-	1,727	1,727	-	-	1,727	1,727	-
Total	1,500	8,840	10,340	714	1,500	9,664	11,164	1,400

a/ Table totals may differ from Budget Appendix due to rounding.

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a), \$1,000,000, to remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a): Provided further, That an additional \$400,000, to remain available until expended, shall be available for administrative expenses, including management of the loan guarantee program: Provided further, That amounts made available in this and prior Acts for the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a), that are unobligated, including recaptures and carryover, may be available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$1,200,000,000, to remain available until September 30, 2027.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Native Hawaiian Housing Block Grants

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	22,300	-	-	22,300	22,300	14,010
2025 Appropriation	22,300	-	-	22,300	22,300	14,000
2026 President's Budget	-	-	-	-	-	12,000
Change from 2025	(22,300)	-	-	(22,300)	(22,300)	(2,000)

The 2026 President's Budget eliminates funding for the Native Hawaiian Housing Block Grants (NHHBG) program, reducing spending by \$22.3 million compared to the 2025 Enacted level.

The NHHBG program funds affordable housing activities on and off Hawaiian home lands. Eligible activities include new construction, rehabilitation, acquisition, infrastructure, and various support services. In addition, funds can be used to provide rental assistance to eligible Native Hawaiians residing on or off Hawaiian home lands. The sole recipient is the State of Hawaii's Department of Hawaiian Home Lands (DHHL).

The Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address community and economic development needs in localities across the Nation.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Native Hawaiian Housing Block Grant	22,300	-	22,300	22,300	22,300	-	22,300	-
Total	22,300	-	22,300	22,300	22,300	-	22,300	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Public and Indian Housing

Native Hawaiian Loan Guarantee Fund (Section 184A)

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	-	-	-	-	-	-
2025 Appropriation	-	-	-	-	-	-
2026 President's Budget	-	-	-	-	-	-
Change from 2025	-	-	-	-	-	-

Note: The table above reflects only discretionary budget authority; mandatory budget authority for upward re-estimates and interest is excluded. The Section 184A program has operated as a negative subsidy program since 2017, meaning no subsidy was needed to operate this program.

The 2026 President's Budget does not request budgetary authority or loan guarantee authority for the Native Hawaiian Housing Loan Guarantee account, eliminating \$28 million of loan guarantee authority compared to the 2025 Enacted level.

The Native Hawaiian Housing Loan Guarantee program (also known as the Section 184A program) provides access to private mortgage financing to Native Hawaiian households who are eligible to reside on Hawaiian home lands.

The Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address community and economic development needs in localities across the Nation.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Loan Subsidy	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Community Planning and Development

Housing Opportunities for Persons with AIDS (HOPWA)

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	505,000	113,855	-	618,855	453,790	489,103
2025 Appropriation	505,000	165,065	-	670,065	458,904	485,491
2026 President's Budget	-	211,161	-	211,161	211,160	507,381
Change from 2025	(505,000)	46,096	-	(458,904)	(247,744)	21,890

The 2026 President's Budget eliminates funding for the Housing Opportunities for Persons with AIDS (HOPWA) program, reducing spending by \$505 million compared to the 2025 Enacted level.

HOPWA addresses the housing needs of low-income people with Human Immunodeficiency Virus (HIV) so that communities are better able to meet this population's needs when they are homeless or unstably housed.

Individuals with HIV who are homeless or at risk of homelessness may be served under the Emergency Solutions Grant program proposed in the 2026 President's Budget that will provide emergency, short- and medium-term housing assistance, capped at two years, to homeless and at-risk individuals.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Formula Grants	454,500	55,061	509,561	398,604	454,500	110,957	565,457	-
Competitive Grants	50,500	58,460	108,960	54,852	50,500	54,108	104,608	-
Technical Assistance	-	7	7	7	-	-	-	-
DOJ VAWA RB Competitive Grants	-	327	327	327	-	-	-	-
Total	505,000	113,855	618,855	453,790	505,000	165,065	670,065	-

a/ 2023 Carryover Into 2024 column includes \$132.1 thousand in DOJ HOPWA Violence Against Women competitive grant funds that were recaptured in fiscal year 2024.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Office of Community Planning and Development
Community Development Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlay s
2024 Appropriation	6,720,054	5,271,387	(1,000)	11,990,441	10,589,685	9,372,871
2025 Appropriation	3,430,000	1,400,958	11,986,340	16,817,298	15,764,104	12,978,441
2026 President's Budget	-	1,052,000	-	1,052,000	1,038,400	13,429,000
Change from 2025	(3,430,000)	(348,958)	(11,986,340)	(15,765,298)	(14,725,704)	450,559

a/ In fiscal year (FY) 2024, Section 549 of division C of the Further Consolidated Appropriations Act, 2024 (P.L. 118-47, approved March 23, 2024) reduced Economic Development Initiative (EDI) funding by \$1 million. Adjustments in FY 2025 include \$12.039 billion for major disasters that occurred in 2023 or 2024 as appropriated in P.L. 118-158 (approved December 21, 2024). P.L. 118-158 also repurposed \$31.7 million in carryover funds for this same purpose. Of these amounts, \$1.8 million was transferred to the Information Technology Fund, \$7.0 million transferred to HUD Office of the Inspector General, and \$31.7 million of carryover balances and \$13.29 million of newly appropriated funds from P.L. 118-58 transferred to the CPD Disaster Salaries & Expenses (S&E) account. An additional \$20 thousand of the amount appropriated in 2024 for the EDI was rescinded under the 2025 full-year Continuing Resolution.

The 2026 President's Budget eliminates funding for the Community Development Fund, reducing spending by \$3.4 billion compared to the 2025 Enacted level.

Among other programs, the Community Development Fund account contains the Community Development Block Grant (CDBG) program, which has provided formula grants to States and units of local government for a range of economic development and community development activities.

HUD remains committed to supporting the housing needs of low-income and vulnerable populations, including those experiencing homelessness. Because State and local governments are better positioned to serve their communities' needs than the Federal Government, the Budget discontinues funding for CDBG in favor of locally-driven housing and economic development strategies.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Adjustments	2025 Total Resources	2026 President's Budget
CDBG Entitlement/Non-Entitlement Grants	3,300,000	519,324	-	3,819,324	2,991,090	3,300,000	828,234	(1,200)	4,127,034	-
Entitlement Communities [Non-Add]	2,305,100	435,688	-	2,740,788	-	2,305,100	645,753	-	2,950,853	-
States [Non-Add]	987,900	78,646	-	1,066,546	-	987,900	175,300	-	1,163,200	-
Insular [Non-Add]	7,000	4,990	-	11,990	-	7,000	5,970	-	12,970	-
Recovery Housing Program (SUPPORT Act)	30,000	29,758	-	59,758	27,750	30,000	32,008	-	62,008	-
PRO Housing (Competitive Grants)	100,000	85,000	-	185,000	84,936	100,000	100,064	-	200,064	-
Economic Development Initiatives c/	3,290,054	177	(1,000)	3,289,231	3,289,034	-	197	(20)	177	-
Section 805 Economic Development Training	-	110	-	110	-	-	110	-	110	-
Special Purpose Grants (Section 107) d/	-	336	-	336	-	-	336	-	336	-
Sustainable Communities d/	-	15	-	15	-	-	15	-	15	-
Disaster Assistance a,b/	-	4,636,667	-	4,636,667	4,196,875	-	439,919	11,986,350	12,426,269	-
Total e/	6,720,054	5,271,387	(1,000)	11,990,441	10,589,685	3,430,000	1,400,958	11,985,130	16,816,013	-

a/ Carryover and recaptures for Disaster Assistance include, but are not limited to, appropriations provided by the following: P.L. 116-20, approved June 6, 2019, appropriated \$2.4 billion for disasters that occurred in 2018 and 2019; P.L. 117-43 approved September 30, 2021, provided \$5 billion for disasters that occurred in 2020 and 2021. Of this amount from P.L. 117-43, \$5.5 million was transferred to the Community Planning and Development (CPD) salaries and expenses (S&E) account. P.L. 117-180 (approved September 30, 2022) provided \$2 billion for disasters that occurred in 2021 and 2022. P.L. 117-328 (approved December 29, 2022) provided \$3 billion for disasters that occurred in 2022 or later. Of these amounts, \$10 million is for Technical Assistance, \$5 million was transferred to the CPD S&E account, and \$5 million was transferred to HUD Office of the Inspector General. Carryover also includes \$1.2 million of recaptured CDBG formula funds that were awarded to communities affected by Stafford Act declared disasters, pursuant to 42 USC 5306(c)(4), and subsequently reallocated in response to Presidentially declared disaster Helene.

b/ P.L. 118-158 (approved December 21, 2024) provided \$12.039 billion and repurposed \$31.7 million in carryover funds for major disasters that occurred in 2023 or 2024. Of these amounts, \$1.8 million was transferred to the Information Technology Fund, \$7.0 million transferred to HUD Office of the Inspector General, \$45 million was transferred to the CPD Disaster S&E account. The \$45 million transferred to S&E is composed of \$31.7 million of carryover balances and \$13.29 million of newly appropriated funds from P.L. 118-58.

c/ Amounts appropriated for the Economic Development Initiative (EDI) in 2024 were awarded by HUD in accordance with the table entitled "Community Project Funding/Congressionally Directed Spending" included in the Explanatory Statement. Section 549 of division C of the Further Consolidated Appropriations Act, 2024 (P.L. 118-47, approved March 23, 2024) reduced EDI funding by \$1 million. HUD notes that an additional \$20 thousand of the amount appropriated in 2024 for EDI was rescinded under the 2025 full-year Continuing Resolution. Amounts also include \$177 thousand of carryover funds are recaptures from legacy economic development grants that no longer operate.

d/ These funds are recaptures from programs that no longer operate.

e/ Reflected in the above table is \$75 thousand in no-year recaptures from legacy programs that are subject to review prior to allotment.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Community Planning and Development

Community Development Loan Guarantee

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	-	-	-	-	-	-
2025 Appropriation	-	-	-	-	-	-
2026 President's Budget	-	-	-	-	-	-
Change from 2025	-	-	-	-	-	-

The 2026 President's Budget does not request budgetary authority or loan guarantee authority for the Community Development Loan Guarantee account, eliminating \$400 million of loan guarantee authority compared to the 2025 Enacted level.

The Community Development Loan Guarantee Program, also known as the Section 108 Loan Guarantee Program, provides Federal guarantees for private loans for communities. It provides Community Development Block Grant (CDBG) recipients with the ability to leverage their annual grant allocation with a loan to undertake large community and economic development projects.

While this program operates without appropriated funds, it remains linked to the CDBG program, both with respect to programmatic requirements and as a source of security and debt service. The 2026 Budget devolves community and economic development activities to the state and local level and eliminates funding for CDBG and Section 108.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Community Development Fund Loan Guarantees (Section 108) -- Loan Guarantee Limitation Level	[400,000]	-	-	-	[400,000]	-	-	-
Total	-	-	-	-	-	-	-	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Office of Community Planning and Development
HOME Investment Partnerships Program

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	1,250,000	158,495	-	1,408,495	1,156,445	1,464,731
2025 Appropriation	1,250,000	271,612	-	1,521,612	1,272,112	3,269,840
2026 President's Budget	-	249,500	-	249,500	249,500	2,892,574
Change from 2025	(1,250,000)	(22,112)	-	(1,272,112)	(1,022,612)	(377,266)

The 2026 President's Budget eliminates funding for the HOME Investment Partnerships program, reducing spending by \$1.25 billion compared to the 2025 Enacted level.

The HOME program provides annual formula grant assistance to States and units of local government to increase the supply of affordable housing and expand homeownership for low- to very low-income persons through a wide range of activities that build, buy, and/or rehabilitate affordable housing. Numerous factors and regulatory barriers stifle housing development; many of these issues cannot be solved, and may be worsened, by Federal involvement. State and local governments are better positioned to address comprehensively the array of unique market challenges, local policies, and impediments that lead to housing affordability problems.

As of April 2025, there were \$5.2 billion of undisbursed HOME funds from 2024 and earlier grants. Projects are required to remain affordable for as long as 20 years from the date of completion. There are approximately 18,848 rental projects containing 230,940 units, and 47,075 homebuyer projects containing 56,900 units that are under regulatory compliance, and additionally, new projects that are currently underway with existing funds will be placed in service over the next several years.

HOME INVESTMENT PARTNERSHIPS PROGRAM

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
HOME Investment Partnerships Program	1,250,000	145,224	1,395,224	1,155,642	1,250,000	239,582	1,489,582	-
<i>Insular [Non-Add]</i>	2,500	-	2,500	-	2,500	-	2,500	-
Management Information Systems	-	3	3	3	-	-	-	-
Homeless Assistance and Supportive Services Program (ARP)	-	12,468	12,468	-	-	32,030	32,030	-
Technical Assistance (ARP)	-	800	800	800	-	-	-	-
Total	1,250,000	158,495	1,408,495	1,156,445	1,250,000	271,612	1,521,612	-

a/ The 2023 Carryover into 2024 column includes \$4.9 million in funds recaptured during fiscal year 2024, including \$2.2 million in formula grants and \$2.7 million in American Rescue Plan grants.

b/ The 2024 Carryover into 2025 column includes \$19.6 million in anticipated American Rescue Plan grants recaptures.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Community Planning and Development

Self-Help Homeownership Opportunity Program

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	60,000	121,446	(5,446)	176,000	110,000	49,554
2025 Appropriation	60,000	66,000	-	126,000	66,000	66,780
2026 President's Budget	16,000	60,000	-	76,000	60,000	69,401
Change from 2025	(44,000)	(6,000)	-	(50,000)	(6,000)	2,621

a/ Section 236 of P.L. 118-47 rescinded unobligated balances under the Veteran Home Rehab and Modification Pilot program. Rescission totaled \$3 million of funds appropriated in FY 2022, \$1 million of funds appropriated in FY 2023, and \$1.4 million of no-year funds.

PROGRAM PURPOSE

The Self-Help and Assisted Homeownership Opportunity Program account funds grants for the purchase of home sites and development or improvement of infrastructure to set the stage for “sweat equity” and volunteer-based homeownership programs for low-income individuals and families. It also funds awards that deliver capacity-building support to local organizations.

BUDGET OVERVIEW

The 2026 President’s Budget requests \$16 million for Habitat for Humanity (Habitat) under the Section 4 Capacity Building program to support sweat equity homeownership and capacity building activities. The request does not include funding for the Self-Help Homeownership Opportunity Program or for the Rural Capacity Building Program. In total, the President’s Budget reflects an overall savings of \$44 million compared to the 2025 Enacted level.

JUSTIFICATION

The 2026 President’s Budget requests funding for a grant to Habitat to fund sweat equity homeownership projects and to strengthen the capacity of its affiliates.

Eligible activities include activities which 1) support land acquisition and infrastructure improvements to create homeownership opportunities for families, and 2) enhance Habitat’s capacity and ability to carry out community development and affordable housing activities that benefit low-income persons, as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 9816 note) and section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), respectively.

Homeownership activities under Section 11 include eligible expenses to develop decent, safe, and sanitary dwellings. Specifically, the grant funds land acquisition and infrastructure improvements. Traditionally, 50 percent of beneficiaries live in rural communities. Homebuyers must be low-income and must contribute a significant amount of sweat equity toward the development of the unit. Volunteer labor is also required.

SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM

Capacity building support under Section 4 provides the knowledge and resources to initiate, improve or expand implementation of community development, housing, and economic development activities. It leads to affordable housing production and rehabilitation and enhances economic opportunities for low-income communities.

Performance

Habitat is a prime example of the strong, long running partnerships HUD has with faith-based organizations. In implementing Section 4 grant award funding received from 2017 to 2023, the Habitat achieved the following outputs:

- Served a total of 4,220 eligible organizations (2,751 being CDCs and CHDOs);
- Offered 100 trainings;
- Awarded 139 grants totaling \$19,660,082;
- Created 12,698 new housing units;
- Rehabbed, preserved, and/or repaired 6,826 housing units;
- Placed 6,883 housing units into the development process;
- Created 158 new jobs while retaining 64 jobs; and
- Awarded a total of \$1,001,620 in sub-grants to 1,454 subgrantees.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Self Help Housing Opportunity Program	12,000	26,000	-	38,000	26,000	12,000	12,000	24,000	-
Section 4 Capacity Building	42,000	83,000	-	125,000	83,000	42,000	42,000	84,000	16,000
Set-Aside for Rural Capacity Building Activities [Non-Add]	5,000	5,000	-	10,000	-	5,000	5,000	10,000	-
Set-Aside for Tribal Communities [Non-Add]	1,000	1,000	-	2,000	-	1,000	1,000	2,000	-
Rural Capacity Building	6,000	6,000	-	12,000	-	6,000	12,000	18,000	-
Veteran Home Rehab and Mod Pilot	-	6,446	(5,446)	1,000	1,000	-	-	-	-
Total	60,000	121,446	(5,446)	176,000	110,000	60,000	66,000	126,000	16,000

a/ Section 236 of P.L. 118-47 rescinded unobligated balances under the Veteran Home Rehab and Modification Pilot program. Rescission totaled \$3 million of funds appropriated in FY 2022, \$1 million of funds appropriated in FY 2023, and \$1.4 million of no-year funds.

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For a grant to the fourth capacity building entity specified in section 4(a) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), \$16,000,000, to remain available until September 30, 2028, for activities authorized under that section 4, under section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note), and for related assistance.

SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Community Planning and Development

Homeless Assistance – Emergency Solutions Grants

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	4,051,000	4,205,813	-	8,256,813	3,908,276	3,220,106
2025 Appropriation	4,051,000	4,793,835	-	8,844,835	4,184,820	3,901,136
2026 President's Budget	4,024,000	4,810,000	-	8,834,000	7,223,389	3,908,359
Change from 2025	(27,000)	16,165	-	(10,835)	3,038,569	7,223

a/ The 2024 carryover includes \$32 million of rental assistance recaptures (including \$3.1 million for Continuum of Care (CoC) in rural areas and \$3.1 million for Emergency Solution Grant (ESG) disaster areas) authorized by Sec. 231 of P.L. 116-94.

b/ The 2025 carryover includes \$453 million of rental assistance recaptures (including \$46 million for CoCs in rural areas and \$46 million for ESG disaster areas) authorized by Sec. 231 of P.L. 116-94.

PROGRAM PURPOSE

The Homeless Assistance Grants program addresses homelessness nationwide through a variety of services and housing interventions serving vulnerable individuals and families who are homeless or at-risk of homelessness.

BUDGET OVERVIEW

The 2026 President's Budget requests \$4.024 billion, which is \$27 million less than the 2025 Enacted level. The request consolidates HUD homeless assistance within a more targeted Emergency Solution Grants block grant program. The Budget does not request funding for the Continuum of Care, Permanent Supportive Housing, and Youth Homelessness Demonstration programs, nor the National Homeless Data Analysis Project.

JUSTIFICATION

Over 770,000 adults and children are experiencing homelessness, and communities across the nation are impacted by the related crises of homelessness, a deadly fentanyl epidemic, and untreated severe mental illness^{1,2}. Despite dramatic increased investment in programs aimed to reduce homelessness over the last fifteen years, more Americans are sleeping outside on our streets than ever before. Recent trends and persistent housing needs, especially among low-income renters, have contributed to increases among nearly all populations experiencing homelessness. While overall funding for HUD's homeless programs has increased by approximately 46 percent since 2020, over the same period, the number of homeless individuals has increased by nearly 33 percent, with 2024 having the highest levels of homelessness since HUD started reporting.

¹ Booth, R., Shariff, S. (2023). [Opioid-related overdose deaths among people experiencing homelessness, 2017 to 2021: A population-based analysis using coroner and health administrative data from Ontario, Canada](#)

² Rountree, J., Hess, N., & Lyke, A. (2019). *Health conditions among unsheltered adults in the U.S.* California Policy Lab. [Health-Conditions-Among-Unsheltered-Adults-in-the-U.S..pdf](#)

The 2026 President's Budget proposes a strategic realignment of its homelessness response by consolidating homeless assistance into an expanded Emergency Solutions Grants (ESG) program. This policy shift is grounded in the need for a streamlined and balanced pathway of services—from outreach, to emergency shelter, to transitional housing programs and stabilization—with the goal of reducing homelessness. It reflects a move toward a more agile, locally-oriented approach that emphasizes self-sufficiency, rapid stabilization, and emergency, short- and medium-term housing solutions over long-term service dependency. This approach provides local governments with increased flexibility to serve their most vulnerable communities in the ways they know best.

The ESG Program is designed to address housing crises quickly and efficiently, by empowering state and local governments with targeted, flexible funding for prevention, outreach, rapid rehousing, emergency shelter, and essential services. Expanding ESG to include supportive services and transitional housing programs will enable HUD and its partners to focus on multiple key goals:

1. reducing unsheltered homelessness,
2. promoting housing stability and economic self-sufficiency, and
3. preventing returns to homelessness through time-limited, results-focused support.

State and local grantees would be eligible for funding based on an updated ESG formula to be determined by the Secretary that takes into account, among many factors, State and local homelessness needs and grantee capacity and performance. Tribal entities would be eligible subrecipients of State ESG funds. HUD looks forward to working with stakeholders to expand ESG, creating a focused pathway of services out of homelessness and towards health, housing stability, and self-sufficiency.

Key Advantages of ESG Expansion

Focus on Housing Stability and Self-Sufficiency

ESG's structure supports emergency, short- and medium-term rental assistance and stabilization services that are directly aligned with the goal of empowering individuals and families to regain and maintain housing without long-term dependency on public assistance. This aligns with HUD's broader mission to promote housing as a platform for upward mobility and independence. Housing stability is furthered by expanding ESG to incorporate short to medium-term supportive services and transitional housing similar to those previously provided through the CoC program.

Increased Flexibility and Local Responsiveness

ESG allows for greater local discretion in targeting resources where they are most needed. By expanding this program, HUD will reduce the administrative complexity and staff burden of CoC funding competitions, delivering grant dollars to grantees more rapidly, and enabling communities to quickly scale evidence-based practices in response to local emerging needs.

Streamlined Administration and Reduced Bureaucracy

HUD estimates that the CoC program and project application process takes recipients nearly 115,000 total hours to complete and costs over \$5 million per year. ESG's simplified grant structure, compared to CoC's extensive application, monitoring, and compliance requirements, will reduce barriers to entry for local providers, especially smaller or rural organizations. This will broaden participation and drive more innovative and cost-effective approaches.

Funding Impact and Outcomes

Emergency Solutions Grants Program (\$4.024 billion)

The ESG program provides assistance to people at-risk of or experiencing homelessness. ESG supports a variety of life-saving activities, including:

- Emergency shelter for people in crisis;
- Street outreach and other essential services to engage people experiencing unsheltered homelessness;
- Rapid re-housing to provide time-limited rental assistance and stabilization services; and
- Homelessness prevention for individuals and families.

In addition to the above eligible activities, uses would be expanded to include other activities related to short- and medium-term assistance, including allowable uses for outreach, supportive services, and transitional housing programs.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Continuum of Care a,b,c/	3,492,000	3,812,496	7,304,496	3,436,502	3,492,000	4,308,351	7,800,351	-
New Permanent Supportive Housing d/	100,000	75,000	175,000	-	100,000	175,000	275,000	-
<i>Set aside- Construction awards for populations of less than 2,500,000 [Non-Add]</i>	35,000	30,000	65,000	-	35,000	100,000	135,000	-
Victims of Domestic Violence	52,000	80,999	132,999	55,287	52,000	82,104	134,104	-
Emergency Solutions Grants	290,000	40,408	330,408	279,171	290,000	51,237	341,237	4,024,000
National Homeless Data Analysis Project	10,000	2,952	12,952	12,952	10,000	-	10,000	-
Youth Homelessness Demo	107,000	193,958	300,958	123,881	107,000	177,143	284,143	-
<i>Youth Homelessness System Improvement Grant [Non-Add]</i>	25,000	50,000	75,000	44,857	25,000	30,143	55,143	-
<i>Youth Homelessness Technical Assistance [Non-Add]</i>	10,000	1,767	11,767	8,767	-	3,000	3,000	-
Total	4,051,000	4,205,813	8,256,813	3,907,793	4,051,000	4,793,835	8,844,835	4,024,000

a/ The 2024 CoC carryover includes \$32 million of rental assistance recaptures (including \$3.1 million for CoCs in rural areas and \$3.1 million for ESG disaster areas) authorized by Sec. 231 of P.L. 116-94.

b/ The 2024 CoC obligations for CoC include \$8.7 million for disaster areas in Florida in response to Hurricane Ian and \$8.2 million for disaster areas in Hawaii in response to wildfires impacting Maui County. Obligations also include \$32.7 million for CoCs in rural areas awarded under a Special NOFO, as well as \$282.6 million for CoCs awarded under the same Special NOFO.

c/ The 2025 CoC carryover includes \$453 million of rental assistance recaptures (including \$46 million for CoCs in rural areas and \$46 million for ESG disaster areas) authorized by Sec. 231 of P.L. 116-94.

d/ As authorized by Public Law 119-4, HUD will repurpose \$100 million provided for new Permanent Supportive Housing in 2025 to fund CoC renewals.

e/ Not reflected in the above table is \$483 thousand reimbursable obligation that occurred in 2024.

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For emergency solutions grant assistance under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371 et seq.), \$4,024,000,000, to remain available until September 30, 2028: Provided, That, notwithstanding any provision of the McKinney-Vento Homeless Assistance Act for such grant assistance, the Secretary shall allocate amounts directly to States and local governments based on a formula to be developed by the Secretary: Provided further, That such formula shall prioritize geographic areas with the greatest need based on factors to be determined by the Secretary and shall appropriately consider capacity or performance indicators: Provided further, That such grants may be used to undertake activities or otherwise provide assistance that will, as determined by the Secretary, assist homeless individuals or those at-risk of homelessness on an emergency, short-term, or medium-term basis: Provided further, That recipients of such grants may establish preferences for elderly individuals or families, or for disabled individuals or families, when implementing the recipients' programs: Provided further, That the Secretary may waive or specify alternative requirements for any provision of any statute or regulation administered by the Secretary in connection with such grant assistance, upon a finding by the Secretary that any such waivers or alternative requirements are necessary to facilitate the effective implementation of such grant assistance.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Community Planning and Development

Housing Trust Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlay s
2024 Appropriation	195,875	58,624	9,030	263,529	216,962	482,427
2025 Appropriation	216,400	46,567	(1,170)	261,797	210,781	576,514
2026 President's Budget Baseline	295,000	51,016	(4,480)	341,536	271,990	478,964
Change from 2025	78,600	4,449	(3,310)	79,739	61,209	(97,550)

a/ The 2024 Total Resources include sequestered funds (5.7% of budget authority or \$11.2 million) made temporarily unavailable per the OMB Report to the Joint Congress on the Joint Reduction for Fiscal Year 2024, partially offset by \$20.2 million sequestered in 2023 that became available in 2024.

b/ The 2025 Total Resources include sequestered funds (5.7% of budget authority or \$12.3 million) made temporarily unavailable per the OMB Report to the Joint Congress on the Joint Reduction for Fiscal Year 2025, partially offset by \$11.2 million sequestered in 2024 that became available in 2025.

c/ The 2026 Total Resources include sequestered funds (5.7% of estimated 2026 Baseline or \$16.8 million) partially offset by \$12.3 million temporarily sequestered in 2025 that will become available in 2026.

The Housing Trust Fund is a mandatory program authorized by the Housing and Economic Recovery Act of 2008. This Act directed the account to be funded from assessments from the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac). This account is a formula-based program for the States and U.S. Territories that finances the development, rehabilitation, and production of affordable housing for extremely low-income and very low-income families.

The 2026 President's Budget baseline, which reflects current law absent any legislative proposals, estimates \$295 million in collections for this program.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Adjustments	2025 Total Resources	2026 President's Budget Baseline
Formula Grants	195,875	58,624	9,030	263,529	216,962	216,400	46,567	(1,170)	261,797	295,000
Total	195,875	58,624	9,030	263,529	216,962	216,400	46,567	(1,170)	261,797	295,000

a/ The 2023 Carryover into 2024 Column includes \$11.4 million in funds recaptured in 2024.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Community Planning and Development

Preservation and Reinvestment Initiative for Community Enhancement (PRICE)

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	10,000	225,000	-	235,000	-	-
2025 Appropriation	10,000	235,000	-	245,000	235,000	-
2026 President's Budget	-	10,000	-	10,000	10,000	27,000
Change from 2025	(10,000)	(225,000)	-	(235,000)	(225,000)	27,000

The 2026 President's Budget eliminates funding for the Preservation and Reinvestment Initiative for Community Enhancement (PRICE) program, reducing spending by \$10 million compared to the 2025 Enacted level.

The PRICE program was first appropriated funds in 2023 for competitive grants to preserve and revitalize manufactured housing and eligible manufactured housing communities.

HUD remains committed to supporting the housing needs of vulnerable populations, including those in manufactured housing communities. Because State and local governments are better positioned to serve their communities' needs than the Federal government, the Budget request discontinues funding for PRICE in favor of locally driven housing preservation and development strategies.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Preservation and Reinvestment Initiative for Community Enhancement	10,000	200,000	210,000	225,000	10,000	225,000	235,000	-
Pilot Program for Replacement Homes for Manufactured Housing Communities	-	25,000	25,000	10,000	-	10,000	10,000	-
Total	10,000	225,000	235,000	235,000	10,000	235,000	245,000	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Housing

Project-Based Rental Assistance

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	16,010,000	199,000	49,198	16,258,198	16,071,436	15,634,260
2025 Appropriation	16,890,000	242,036	57,407	17,189,443	17,039,000	16,139,167
2026 President's Budget	-	150,443	-	150,443	550,443	5,957,000
Change from 2025	(16,890,000)	(91,593)	(57,407)	(17,039,000)	(16,488,557)	(10,182,167)

a/ 2024 Appropriated Funds total \$16 billion from the Consolidated Appropriations Act, 2024 (P. L. 118–42), including \$2 billion designated as an emergency requirement pursuant to the Disaster Relief Supplemental Appropriations Act, 2023.

b/ 2024 Total resources include carryover of \$199 million from unobligated balances, including \$48 million of recaptures realized in fiscal year 2024 and transfers of \$27 million from Housing for the Elderly and \$22 million from Public Housing for the purpose of RAD conversions.

c/ 2025 Appropriated funds total \$16.9 billion from the Continuing Appropriations and other Extension Act, 2025 (P.L. 119-4), including \$2 billion designated as an emergency requirement pursuant to the Disaster Relief Supplemental Appropriation Act, 2023.

d/ 2025 Total resources include carryover of \$242 million from unobligated balances, including \$56 million estimated to be recaptured in the current fiscal year. Additionally, an estimated \$34 million from Housing for the Elderly, \$18 million from the Public Housing Fund, and \$5 million from the Tenant-Based Rental Assistance program will be transferred to PBRA for the purposes of RAD conversions.

e/ 2026 Obligations include \$400 million provided as an advance by the 2025 enacted appropriations.

The 2026 President’s Budget eliminates funding for the Project-Based Rental Assistance (PBRA) program, reducing spending by \$16.9 billion compared to the 2025 Enacted level.

The PBRA program provides approximately 1.3 million affordable housing units for low-income and very low-income families. In PBRA, a private owner enters a contract with HUD to provide affordable rental units. Project-based assistance is tied to the physical unit and does not travel with individual tenants should they move.

The 2026 Budget recognizes a greater role for State and local governments and the private sector, including nonprofits, to address community and economic development needs in localities across the Nation. HUD will continue to seek ways to partner with these governmental and private entities to reform policies and reduce regulatory barriers to transform neighborhoods and unleash the potential of their residents.

Please see the State Rental Assistance Program justification for more details.

PROJECT-BASED RENTAL ASSISTANCE (PBRA)

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Adjustments	2025 Total Resources	2026 President's Budget
Contract Renewals and Amendments	15,542,000	184,200	49,198	15,775,398	15,593,436	16,422,000	235,648	33,407	16,691,055	-
<i>Classified as Emergency/Disaster [Non-Add]</i>	2,000,000	-	-	2,000,000	-	2,000,000	251	-	2,000,251	-
<i>Mod Rehab and SRO Renewals [Non-Add]</i>	183,000	62,784	-	245,784	-	183,000	47,839	-	230,839	-
Contract Renewals CARES Act	-	-	-	-	-	-	322	-	322	-
Tenant Education and Outreach	-	14,800	-	14,800	10,000	-	6,066	-	6,066	-
Contract Administrators	468,000	-	-	468,000	468,000	468,000	-	24,000	492,000	-
<i>RAD Conversion Transfers [Non-Add]</i>	-	4,258	49,198	53,456	-	-	4,258	57,607	61,865	-
<i>RAD Conversion Subsidy [Non-Add]</i>	-	-	-	-	-	-	-	-	-	-
<i>Advanced Appropriations from last Fiscal Year [Non-Add]</i>	400,000	-	-	400,000	-	400,000	-	-	400,000	-
<i>Advance Appropriations for next Fiscal Year [Non-Add]</i>	400,000	-	-	400,000	-	400,000	-	-	400,000	-
Total	16,010,000	199,000	49,198	16,258,198	16,071,436	16,890,000	242,036	57,407	17,189,443	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Housing

Housing for the Elderly (Section 202)

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlay s
2024 Appropriation	913,000	630,000	(26,984)	1,516,016	1,131,300	895,759
2025 Appropriation	931,400	393,403	(36,000)	1,288,803	1,026,000	962,000
2026 President's Budget	-	262,000	-	262,000	200,000	505,000
Change from 2025	(931,400)	(131,403)	36,000	(1,026,803)	(826,000)	(457,000)

a/ 2024 Carryover includes \$7 million in recoveries of prior year unpaid obligations.

b/ 2024 Adjustments include \$27 million in transfers (\$1 million unobligated balances and \$26 in appropriations) to the Project Based Rental Assistance for the Rental Assistance Demonstration program.

c/ 2025 Carryover includes an estimated \$1.5 million in offsetting collections and estimated \$300 thousand in recoveries.

d/ 2025 Adjustments include \$34 million in transfers (\$6 million unobligated balances and \$28 in appropriations) to the Project Based Rental Assistance and \$2 million to the Tenant-Based Rental Assistance accounts for the Rental Assistance Demonstration program.

The 2026 President's Budget eliminates funding for the Housing for the Elderly (Section 202) program, reducing spending by \$931.4 million compared to the 2025 Enacted level.

The Section 202 program supports nonprofit entities in building and operating affordable housing for very low-income elderly tenants. Housing through the Section 202 program provides seniors with options that allow them to live independently and in an environment that provides a connection to supportive services. The Section 202 program provides project-based rental assistance that covers the difference between HUD-approved operating costs of the project and the tenants' contributions toward rent.

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address community and economic development needs in localities across the Nation. Thus, HUD will continue to seek ways to partner with these governmental and private entities to reform policies and reduce regulatory barriers that would allow communities to transform neighborhoods and unleash the potential of their residents.

Please see the State Rental Assistance Program justification for more details.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Adjustments	2025 Total Resources	2026 President's Budget
Elderly PRAC/SPRAC Renewals/Amendments	797,000	205,000	(26,984)	975,016	843,672	815,400	109,673	(29,500)	895,573	-
Rental Assistance Demonstration Transfers [Non-Add]	-	-	(26,984)	-	-	-	-	(30,000)	-	-
Service Coordinators/Congregate Services	112,000	89,000	-	201,000	94,401	112,000	110,134	-	222,134	-
Capital Advance (Expansion)	-	276,678	-	276,678	169,227	-	107,844	16,900	124,744	-
Intergenerational Dwelling Units	-	40,000	-	40,000	24,000	-	35,000	(16,900)	18,100	-
Capital Advance Preservation	-	12,000	-	12,000	-	-	11,265	(6,000)	5,265	-
Rental Assistance Demonstration Transfers [Non-Add]	-	-	-	-	-	-	-	(6,000)	-	-
Other Expenses	4,000	6,000	-	10,000	-	4,000	18,987	-	22,987	-
Support Services/IWISH Demonstration	-	822	-	822	-	-	-	-	-	-
Senior Preservation Rental Assistance Contracts SPRAC [Expansion]	-	500	-	500	-	-	500	(500)	-	-
Total	913,000	630,000	(26,984)	1,516,016	1,131,300	931,400	393,403	(36,000)	1,288,803	-

a/ 2024 Carryover includes \$7 million in recoveries of prior year unpaid obligations.

b/ 2024 Adjustments include \$27 million in transfers (\$1 million unobligated balances and \$26 in appropriations) to the Project Based Rental Assistance for the Rental Assistance Demonstration program.

c/ 2025 Carryover includes an estimated \$1.5 million in offsetting collections and estimated \$300 thousand in recoveries.

d/ 2025 Adjustments include \$34 million in transfers (\$6 million unobligated balances and \$28 in appropriations) to the Project Based Rental Assistance and \$2 million to the Tenant-Based Rental Assistance accounts for the Rental Assistance Demonstration program. In addition, \$500 thousand was moved from Senior Preservation Rental Assistance Contracts Expansion to Elderly PRAC/SPRAC Renewals/Amendments.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Housing

Housing for Persons with Disabilities (Section 811)

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	208,000	471,000		679,000	346,097	236,534
2025 Appropriation	256,700	337,000	-	593,700	375,000	291,000
2026 President's Budget	-	223,000	-	223,000	55,000	269,000
Change from 2025	(256,700)	(114,000)	-	(370,700)	(320,000)	(22,000)

The 2026 President's Budget eliminates funding for the Housing for Persons with Disabilities (Section 811) program, reducing spending by \$256.7 million compared to the 2025 Enacted 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. Section 811 rental assistance contracts cover the difference between HUD-approved operating costs of the project and the tenants' contributions toward rent, as well as direct funding for affordable housing construction through Capital Advance grants.

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address community and economic development needs in localities across the Nation. Thus, HUD will continue to seek ways to partner with these governmental and private entities to reform policies and reduce regulatory barriers that would allow communities to transform neighborhoods and unleash the potential of their residents.

Please see the State Rental Assistance Program justification for more details.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Adjustments	2025 Total Resources	2026 President's Budget
Disabled PRAC/PAC/PRA Renewals and Amendments	207,000	84,448	291,448	206,112	255,700	88,790	65,000	409,490	-
Capital Advance and PRA (Expansion)	-	378,404	378,404	139,985	-	240,572	(65,000)	175,572	-
Other Expenses	1,000	8,138	9,138	-	1,000	7,638	-	8,638	-
Disabled PRAC/PAC Renewal/Amendment (CARES Act)	-	10	10	-	-	-	-	-	-
Total	208,000	471,000	679,000	346,097	256,700	337,000		593,700	-

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Housing

Housing Counseling Assistance

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	57,500	54,637	-	112,137	103,452	59,846
2025 Appropriation	57,500	8,677	-	66,177	11,000	62,000
2026 President's Budget	-	57,000	-	57,000	57,000	62,000
Change from 2025	(57,500)	48,323	-	(9,177)	46,000	-

a/ The 2025 carryover does not match the Budget Appendix due to rounding.

The 2026 President's Budget eliminates funding for the Housing Counseling Assistance program, which provides individuals and families with counseling on a spectrum of housing matters through a national network of HUD-approved housing counseling agencies and counselors.

The 2026 Budget recognizes a greater role for State and local governments, the private sector, and nonprofits to address housing, community, and economic development needs in localities across the Nation. Thus, HUD will continue to seek ways to partner with these governmental and private entities to adopt policies and reduce regulatory barriers that would allow communities to transform neighborhoods and unleash the potential of their residents.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Housing Counseling Assistance Program	53,000	53,000	106,000	98,242	53,000	7,750	60,750	-
Administrative Contract Services	4,500	1,637	6,137	5,210	4,500	927	5,427	-
Total	57,500	54,637	112,137	103,452	57,500	8,677	66,177	-

a/ The 2025 carryover may not match the Budget Appendix due to rounding.

b/ Budget authority for administrative contract services reflects "up to" amounts.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Housing

Manufactured Housing Fees Trust Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	14,000	15,108	-	29,108	9,188	9,400
2025 Appropriation	14,000	19,920	-	33,920	14,000	13,954
2026 President's Budget	14,000	19,900	-	33,900	14,000	17,000
Change from 2025	-	(20)	-	(20)	-	3,046

a/ 2024 carryover amount includes \$2.09 million in unapportioned recaptures.

PROGRAM PURPOSE

HUD's Office of Manufactured Housing Programs (OMHP) is critical for ensuring access to affordable homeownership, serves a key role in supporting the Administration's goal of increasing the supply of affordable housing throughout the United States and coordinating proper compliance with construction safety standards.

BUDGET OVERVIEW

The 2026 President's Budget requests \$14 million for the Manufactured Housing Fees Trust Fund program, which is equal to the 2025 Enacted level. This includes:

- \$4.6 million for payments to State Administrative Agencies
- \$4.7 million for Monitoring Production Inspection Primary Inspection Agencies (IPIAs) and States
- \$1.9 million for Monitoring Design Approval Primary Inspection Agencies (DAPIAs)
- \$961 thousand for Installation Inspection and Enforcement
- \$687 thousand for Consumer Information and Dispute Resolution
- \$666 thousand for Manufactured Housing Consensus Committee Administering Organization

HUD will explore ways to use any unobligated resources from 2026 and prior years in a manner that will support the Administration's priorities for increasing the supply of affordable housing and providing price relief for American families.

JUSTIFICATION

Manufactured housing contributes to the supply of safe and affordable housing and can help Americans realize the dream of homeownership. By enabling disadvantaged households to advance their own economic opportunities and build equity, OMHP directly supports the objective of sustainable homeownership and financial viability. Additionally, as a major source of FEMA-provided temporary housing, manufactured homes also support the short- and long-term objectives of disaster recovery.

As a regulatory office, OMHP is charged with ensuring the quality, safety, and durability of manufactured housing. Commensurate with this charge, OMHP administers oversight of all segments of the industry and monitors the success and impacts of the programs. Since the program's inception in 1976, the overall quality, safety, and durability of manufactured housing has improved while preserving affordability. The number of per capita fires and deaths in manufactured homes has been significantly reduced compared to homes produced before the HUD standards became effective. Manufactured homes produced under the HUD Code also perform better in high wind events due to enhancements to modern manufactured home construction standards. Moreover, the increased lifetime and durability of manufactured homes produced under HUD's program has prompted broader consideration and acceptance of manufactured homes for mortgage financing rather than chattel loans for HUD Code manufactured homes.

Manufacturers pay a \$100 label fee per transportable home section (typically 1 to 2 transportable sections per home). HUD then uses these fees to perform statutorily required activities (e.g., State payments, monitoring and inspections, consensus committee administration). The in-plant inspections and quality assurance oversight are particularly important to ensure quality assurance programs are working properly and in compliance with HUD and other standards necessary to protect consumer safety. HUD collected approximately \$13.6 million in fees in 2023, and \$15.7 million in 2024.

Funding will support the Department's implementation and oversight responsibilities for the national manufactured housing regulatory program, which includes updating construction, safety, and installation standards for manufactured homes nationwide. The 2026 Budget provides funding for HUD to conduct technical compliance and enforcement activities, as well as support meetings with State partners to increase State engagement and build consensus. The funding will support State inspection programs, incentivize State partnerships, increase State collaboration with OMHP, and fully support Manufactured Housing Consensus Committee (MHCC) and contracted assistance activities that support the rulemaking process. The 2026 Budget will also allow for continued contract assistance to develop more robust cost-benefit analyses for recommended standards and regulation updates and to enable a more expedient and streamlined rulemaking process.

MANUFACTURED HOUSING FEES TRUST FUND

User Fees

Fee	Statute	Where and How the Fee is Collected	2026 Fee Schedule	Estimated Collections (dollars in thousands)
Manufactured Home Certification Label Fee	42 U.S.C §5419 - Authority to Collect Fee	Manufactured Home manufacturers order certification labels from HUD using HUD Form 301 and pay the US Treasury through www.pay.gov at a fee of \$100 per label ordered.	In accordance with program regulations at 24 CFR §§ 3282.210 and 3284.5, each manufacturer, as defined in 24 CFR § 3282.7 must pay a fee of \$100 per transportable section of each manufactured housing unit that it manufactures under the requirements of the Manufactured Home Construction and Safety Standards.	\$14,000 - \$17,000

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Manufactured Housing Fee Trust Fund -- General Fund	14,000	15,108	29,108	9,188	14,000	19,920	33,920	14,000
Total	14,000	15,108	29,108	9,188	14,000	19,920	33,920	14,000

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.), up to \$14,000,000, to remain available until expended, of which \$14,000,000 shall be derived from the Manufactured Housing Fees Trust Fund (established under section 620(e) of such Act (42 U.S.C. 5419(e)): Provided, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: Provided further, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year 2026 so as to result in a final fiscal year 2026 appropriation from the general fund estimated at zero, and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year 2026 appropriation: Provided further, That for the dispute resolution and installation programs, the Secretary may assess and collect fees from any program participant: Provided further, That such collections shall be deposited into the Trust Fund, and the Secretary, as provided herein, may use such collections, as well as fees collected under section 620 of such Act, for necessary expenses of such

MANUFACTURED HOUSING FEES TRUST FUND

Act: Provided further, That, notwithstanding the requirements of section 620 of such Act, the Secretary may carry out responsibilities of the Secretary under such Act through the use of approved service providers that are paid directly by the recipients of their services.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Housing

FHA – Mutual Mortgage Insurance Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	150,000	15,773	-	165,773	157,135	149,124
2025 Appropriation	150,000	10,000	-	160,000	158,000	155,000
2026 President's Budget	160,000	3,000	-	163,000	160,000	158,000
Change from 2025	10,000	(7,000)	-	3,000	2,000	3,000

a/ 2024 Carryover includes \$11 million in carryover and \$4.8 million in recaptures.

b/ 2025 Carryover includes \$9 million in carryover and \$1 million in anticipated recaptures.

c/ 2026 Carryover includes \$2 million in carryover and \$1 million in anticipated recaptures.

PROGRAM PURPOSE

Under the Federal Housing Administration (FHA) Single Family Housing programs, the Mutual Mortgage Insurance (MMI) Fund has insured approximately 62 million home mortgages since 1934. It provides mortgage insurance on single family mortgage loans made by FHA-approved lenders throughout the United States and its territories. FHA Single Family Housing programs provide mortgage insurance for the purchase, refinance, and rehabilitation of homes with 1 to 4 units. The MMI Fund aims to support access to homeownership for individuals and families who may face challenges obtaining affordable mortgage credit, including many first-time home buyers, lower-income households, and historically underserved communities. FHA also remains active and viable in all markets during times of economic disruption, playing an important countercyclical role until private capital returns to its normal levels. Through the MMI Fund, the Department offers several types of single family forward (traditional) mortgage insurance products and Home Equity Conversion Mortgages (HECMs) for seniors.

BUDGET OVERVIEW

The 2026 President's Budget requests \$160 million for FHA administrative contract expenses, which is \$10 million more than the 2025 Enacted level. The 2026 Budget also includes \$400 billion in loan guarantee commitment authority and \$1 million in direct loan authority, both of which are equal to the 2025 Enacted level.

JUSTIFICATION

The 2026 President's Budget requests \$160 million for the FHA MMI Program Account. This amount will provide funding for contracts necessary for the administration of FHA programs operating under the MMI and the General Insurance and Special Risk Insurance (GI/SRI) Funds. For budgetary purposes, the programs of the MMI Fund are broken into the two following risk categories:

- Forward mortgage programs provide mortgage insurance for the purchase, refinance, and rehabilitation of homes with 1 to 4 units. Loan products under this category include forward mortgages on single family homes, condominiums, homes purchased on Indian and Hawaiian lands, and rehabilitation loans. Maximum mortgage amounts insured by FHA (i.e., loan limits) are calculated annually by HUD and are generally set at 115 percent of the median house price in each county, subject to a “low-cost” floor and “high-cost” ceiling. There are also special exception loan limits for certain areas to account for higher construction costs.
- The HECM program provides senior homeowners aged 62 and older access to FHA-insured reverse mortgages, which enables them to access the equity in their homes to support their financial and/or housing needs as they age. The program fills a unique role in the national mortgage market. HECM loans provide various distribution options for seniors, including monthly payments, draws from a line of credit, a combination of these options, or a one-time draw at closing. Unlike a forward mortgage, the HECM borrower does not make payments on the loan, and the loan does not become due and payable until the last remaining borrower passes away, sells the home, conveys title of the property, or fails to comply with other requirements of the loan, such as payment of property taxes and insurance.

Administrative Contracts

The \$160 million requested for 2026 will provide contract and service funding necessary for the administration of FHA programs operating under the MMI and GI/SRI funds. This Budget will fund activities including, but not limited to, insurance endorsement of single-family mortgages, the single-family case management system for REO properties, Secretary-held mortgage servicing, HECM loan servicing tools, construction inspections on multifamily projects, independent financial review services on health care facilities, the required annual FHA independent actuarial review, the FHA Resource Center, management and oversight of asset disposition, risk analysis, accounting and audit support services, and assistance with claims and premium refund processing.

Total Administrative Contracts Execution by Fiscal Year		
Dollars in Thousands		
Fiscal Year	Total Resources*	Direct Obligations
2021	173,693	151,044
2022	170,237	150,081
2023	169,873	158,875
2024	165,773	157,135
2025 (Projected)	160,000	158,000
2026 (Projected)	163,000	160,000

*Total Resources include the annual appropriation plus carryover.

Funding for administrative contracts has remained constant at \$150 million since 2022. At the same time, contract expenses have increased with inflation and growth in the FHA-held portfolio of HECMs and partial claim notes. Between 2014 and 2024, program account expenditures for management of Secretary-held HECMS and Partial Claims have increased by \$46 million, growing from \$3.6 million to \$49 million, a 1,272 percent increase. Specifically, FHA’s assigned HECM portfolio has increased more than ten-fold since 2013, from 18,000 to over 190,000 loans. The cost of managing the assigned HECM portfolio has grown even faster, from \$1.8 million in 2014 to \$36.5 million in 2024. Largely as a result of these factors, total available funding decreased from \$174 million in 2021 to a projected \$160 million in 2025. The Budget request for \$10 million above the 2025 level is necessary for FHA to maintain current service levels through 2026.

The President's Budget eliminates the contingent appropriation from the account language.

Commitment Authority - Up to \$400 billion for New Loan Guarantees

The 2026 President's Budget requests \$400 billion in loan guarantee commitment limitation, which is to remain available until September 30, 2027. This limitation includes sufficient authority for insurance of all single family forward mortgages and HECMs. Total loan volume projected for all MMI programs for 2026 is \$315.1 billion. Of that total, \$300 billion is estimated for standard forward mortgages and \$15.1 billion is for HECM. The size and two-year availability for this commitment authority reduces the likelihood of program disruption should there be a continuing resolution or greater-than-expected demand for loan guarantees.

Negative Subsidy Receipts

In 2026, the entire MMI portfolio is projected to generate \$8.2 billion in negative subsidy receipts. These receipts are transferred to the MMI Capital Reserve account, where they are available to cover future unexpected losses.

Direct Loan Commitment Authority

Funding level at \$1 million in loan commitment authority will provide short-term purchase money mortgages for non-profits and governmental agencies. This will enable these entities to purchase HUD-owned single family properties to subsequently make those properties available for resale to purchasers with household incomes at or below 115 percent of an area's median income in support of their affordable housing programs. While this program has been infrequently used in recent years, it remains a valuable tool for HUD to support affordable homeownership opportunities in distressed communities while responsibly managing its Real Estate Owned inventory of properties.

Other Evidence

Stakeholders have access to the HUD website for approved public program information and financial reports. The FHA Annual Management Report and MMI Actuarial Report are published online. The Annual Management Report contains the FHA standalone financial statements, which can be used by stakeholders to review program outcomes and other achievements.

In addition, a third-party contractor conducts loan reviews. HUD approved lenders are required to obtain third-party quality control reviews on a sampling of loans and for all early claims within four years of final endorsement.

Stakeholders

HUD-FHA collaborates with stakeholders to ensure that financing is available for low- and moderate-income families to purchase and rehabilitate homes. FHA program participants or stakeholders are borrowers, lenders, servicers, appraisers, consultants, nonprofits, State and local government, and investors. FHA Single Family Housing engages with its stakeholders in person and virtually, by participating in community events, stakeholder training, and Lender Roundtables nationwide. These events provide robust information on FHA programs, policies, and processes. Stakeholders have access to the HUD-FHA Single Family website to communicate and search policies, regulations, guidebooks, forms, mortgagee letters, newsletters, data reports, as well as to learn about events and training opportunities.

Operational Improvements and Efficiencies

FHA has been monitoring and examining contracts for economies of scale and will continue to look for cost savings in the MMI account through service consolidation and efficiency where feasible.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Administrative Contract Expenses	150,000	15,773	165,773	157,135	150,000	10,000	160,000	160,000
Total	150,000	15,773	165,773	157,135	150,000	10,000	160,000	160,000

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

New commitments to guarantee single family loans insured under the Mutual Mortgage Insurance Fund shall not exceed \$400,000,000,000, to remain available until September 30, 2027: Provided, That during fiscal year 2026, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$1,000,000: Provided further, That the foregoing amount in the preceding proviso shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund: Provided further, That for administrative contract expenses of the Federal Housing Administration, \$160,000,000, to remain available until September 30, 2027: Provided further, That notwithstanding the limitation in the first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)), during fiscal year 2026 the Secretary may insure and enter into new commitments to insure mortgages under section 255 of the National Housing Act.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119-4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Housing

FHA – General and Special Risk Insurance Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	-	1,574	-	1,574	-	-
2025 Appropriation	-	1,574	-	1,574	-	-
2026 President's Budget	-	1,574	-	1,574	-	-
Change from 2024	-	-	-	-	-	-

PROGRAM PURPOSE

The Federal Housing Administration's (FHA) General Insurance and Special Risk Insurance (GI/SRI) Fund programs are critical components of the Department's efforts to meet the Nation's need for decent, safe, and affordable housing. These programs provide the necessary liquidity so that communities can:

- Provide quality affordable housing and assisted living, nursing home, and hospital facilities;
- Improve access to quality healthcare, reduce the cost of that care, and support the needs of aging populations in communities nationwide;
- Strengthen local economies by playing a countercyclical role in the market;
- Improve the availability and quality of rental housing for low- and moderate-income families; and
- Enable private lenders to make loans for important projects in places of historic disinvestment or exclusion that might otherwise not be possible.

BUDGET OVERVIEW

The 2026 President's Budget requests \$35 billion in loan guarantee commitment authority and \$1 million in direct loan authority for the FHA GI/SRI Fund, both of which are equal to the 2025 Enacted level. The Budget estimates \$441 million in offsetting negative credit subsidy receipts in 2026 from GI/SRI loan guarantees. At the requested level, GI/SRI is projected to issue \$17 billion in loan insurance commitments in 2026, including:

- \$517 million in loan guarantees for 49 new Federal Financing Bank (FFB) Risk Sharing loans;
- \$12 billion in loan guarantees to support 550 apartment housing projects;
- \$5 billion in loan guarantees for 303 healthcare facilities, including residential care facilities (skilled nursing homes, assisted living facilities, and board & care homes) and hospitals; and
- \$26 million for 1,030 Title I manufactured housing and property improvement loans.

JUSTIFICATION

Mortgage insurance facilitated by the GI/SRI Fund encourages private lenders to make loans for the following activities, among others: new rental housing in a variety of markets; nursing homes serving aging senior citizens; and critical access hospitals. In addition to providing access to credit for new developments, GI/SRI supports refinance lending to preserve financially healthy housing and healthcare projects by helping them reduce the cost of current debt obligations. The major refinancing programs for housing and nursing home facilities offer long-term amortization periods and are a critical option for many conventionally financed projects facing large balloon payments. Insured refinancing through GI/SRI programs also enables properties to undertake needed renovation and rehabilitation for the health and safety of residents.

FHA mortgage insurance enhances a borrower's credit and provides lenders with better access to capital markets, most notably through Ginnie Mae securities. In exchange for adherence to underwriting and application requirements established by HUD and the payment of required insurance premiums, FHA-approved lenders can file claims with FHA to compensate them for losses arising from a borrower default. Mortgage insurance premiums and specific terms for claim payments vary by program. GI/SRI mortgage insurance programs work in part by helping private lenders access liquidity otherwise unavailable to borrowers developing or operating properties covered by these programs.

The credit enhancement provided by an FHA loan guarantee or insurance enables borrowers to obtain long-term, fully amortizing fixed-rate financing (up to 40 years in the case of new construction/substantial rehabilitation), which can result in substantial cost savings. Access to fixed-rate loans with long-term amortization, which typically are not available through conventional lending sources, mitigates interest rate risk for owners because they do not necessarily have to refinance to maintain affordability of their payments. The long-term amortization period and guarantee of payment in the event of claim stabilizes interest rates and can also allow monthly mortgage payments to be less than payments required under non-insured financing. These savings, in turn, can reduce the overall costs of developing and maintaining housing, which stabilizes housing markets, and assists low- and moderate-income residents in obtaining affordable housing. Similarly, FHA-insured financing of healthcare facilities reduces costs for operators and contributes to lower healthcare costs for consumers.

Multifamily and healthcare loans are large and complex. Prior to receiving a mortgage guarantee for any multifamily or healthcare loan, lenders and borrowers must complete a rigorous application process to determine if a loan is an acceptable credit risk to HUD. Large multifamily housing projects and all healthcare facility loans receive secondary review and approval by a national loan committee of senior HUD officials. Once insurance has been approved, progress on any new construction or renovation is closely monitored by HUD inspectors. HUD asset managers monitor project financial statements on an ongoing basis and loss mitigation measures are undertaken before a loan is determined to have defaulted and any claim is submitted to HUD. When a borrower defaults and a claim is filed, HUD will take possession of the mortgage note or property and seek to recover losses.

With each mortgage it insures, FHA carefully weighs the benefits of renewed capital investment in the community against the financial risks to the Government. Cognizant of the risks associated with FHA's role in the housing market, the Department has launched several new initiatives aimed at appropriately managing the risk involved with Multifamily loans. Risk mitigation procedures for Multifamily Housing loan originations include a tiered loan approval structure requiring increasing levels of Loan Committee review based on program and dollar amount of the loan. In addition, HUD staff conduct a thorough underwriting review of each transaction and the Office of Risk Management conducts sampling of post-commitment reviews. Loan origination and default data and trends are

monitored by HUD, and lenders are required to obtain third-party quality control reviews on a sampling of loans and for all early claims within four years of final endorsement.

Multifamily housing and healthcare facilities are major economic engines and community anchors that are crucial for economic growth and quality of life. The GI/SRI Fund currently insures over 1.4 million multifamily units. The healthcare portfolio includes 3,689 insured residential care facilities (assisted living facilities, nursing homes, and board and care homes) in 49 States, as well as the District of Columbia and 78 hospitals within 24 States and territories, including Puerto Rico. Through proactive risk management, HUD has maintained extremely low claim rates of under two percent in both programs.

During periods of market contraction, FHA insurance provides a counter-cyclical source of capital for essential housing and health care development. If other sources of capital are less available, activity in the GI/SRI Fund programs may increase beyond these projections, which makes the overall commitment authority request essential.

Multifamily Risk Categories

Federal Financing Bank (FFB) Risk Share

The FFB Risk Share Initiative was originally started in 2015 to increase access to and reduce the cost of funding for multifamily mortgage loans insured by FHA through its Section 542 Risk Sharing programs with Housing Finance Agencies (HFAs). This Initiative was an interagency partnership between HUD, Treasury's FFB, and HFAs that provided a Ginnie Mae-like financing mechanism for HFA risk-share partners until the Congress authorizes use of Ginnie Mae securitization for the Section 542(c) programs. While the original initiative was ended in 2018, HUD resumed the initiative in 2022 to address the critical need for affordable housing, and to ensure a stable source of capital in an environment of volatile tax-exempt bond pricing. The FFB initiative has been successful in supporting the development of new affordable housing supply in participating jurisdictions.

Section 221(d)(4) Mortgage Insurance for Rental Housing

The Section 221(d)(4) program is FHA's largest program supporting new construction and substantial rehabilitation of multifamily housing. The program insures loans for up to 90 percent of the project replacement cost (as limited by debt service coverage and per-unit cost requirements). It covers long-term mortgages of up to 40 years and, like all FHA new construction loan programs, provides for both construction and permanent financing.

Sections 223(f) and 223(a)(7) Mortgage Insurance for Refinancing or Purchase of Existing Multifamily Rental Housing

Section 223(f) allows for long-term mortgages of up to 35 years for refinancing or purchase of existing multifamily rental housing. Refinances of current FHA-insured multifamily loans are also offered under Section 223(a)(7) but are grouped together with Section 223(f) for budgetary purposes.

Section 241(a) Mortgage Insurance for Supplemental Loans for Multifamily Housing Projects

Section 241(a) provides mortgage insurance for supplemental loans for multifamily housing projects already insured or held by HUD. This program is intended to keep projects competitive, extend their economic life, and finance the replacement of obsolete equipment. Section 241(a) mortgages finance repairs, additions, and other improvements. These loans take the second position to the primary mortgage. For budgetary purposes, these loans are included in the risk category of the primary loan they are supplementing.

Section 542(b) Risk Sharing with Qualified Participating Entities (QPEs)

This is 1 of 2 multifamily programs under which FHA insures only a portion of the losses by sharing the risk with Fannie Mae, Freddie Mac, and other qualified Federal, State, and local public financial and housing institutions. If a loan insured under Section 542(b) defaults, the QPE will pay all costs associated with loan disposition and will seek reimbursement from HUD for 50 percent of the losses.

Section 542(c) Risk Sharing with Housing Finance Agencies (HFAs)

Section 542(c) provides mortgage insurance of multifamily housing projects whose loans are underwritten, processed, serviced, and disposed of by State and local HFAs. FHA insurance enhances HFA bonds to investment grade and provides capital for affordable housing construction. HFAs may elect to share from 10 to 90 percent of the loss on a loan with HUD. Section 542(c) insured-projects often include Low-Income Housing Tax Credits, in which case they are reported under GI/SRI's risk category for Tax Credit Projects.

Other Rental Programs

This risk category includes several relatively low-volume programs that have been grouped together for budgetary purposes, including Section 220 loans in urban areas, Section 231 loans for elderly housing, and Section 207 loans for mobile home park development. Section 220 is a new-construction program, distinct from 221(d)(4) in that it insures loans for multifamily housing projects in urban renewal areas, code enforcement areas, and other areas where local governments have undertaken designated revitalization activities. The program offers special underwriting allowances for greater mixed-use development. Section 231 is also a new construction/substantial rehabilitation program, but for projects specifically designed for senior citizens. For Section 231 projects with 90 percent or greater rental assistance, the maximum loan amount is 90 percent of the estimated replacement cost.

Tax Credit Projects

Projects assisted with Low-Income Housing Tax Credits (LIHTC) may be insured under several FHA multifamily programs but are grouped together in a single budget risk category. These loans have a lower risk of default than similar projects without tax credits.

Healthcare Risk Categories

Section 232 New Construction/Substantial Rehabilitation of Residential Care Facilities

Section 232 programs are split into two budget risk categories. The first category includes new construction and substantial renovation projects. The program enables access to capital that may not otherwise be available for many quality providers including those in underserved areas, thereby providing access to needed healthcare and residences for seniors. These loans are offered for terms of up to 40 years and provide both construction and permanent financing.

Section 232/223(f) Refinancing and Purchase of Existing Residential Care Facilities

The Section 232/223(f) refinancing program enables existing facilities to take advantage of refinancing at low-interest rates with loan terms of up to 35 years. For a refinance, maximum mortgage amounts are up to 85 percent of the appraised value (90 percent if the borrower is a non-profit organization). For acquisitions, mortgages are insured up to 85 percent of the acquisition price plus transaction costs (90 percent of acquisition price if the borrower is a non-profit organization). Equity cash-out transactions are prohibited under this program. Section 223(a)(7) refinances of

existing Section 232 loans are also reported under this risk category, as well as operating loss loans insured under Section 223(d).

Section 242 Hospitals

The Section 242 program provides mortgage insurance for loans made to acute care hospitals. An FHA guarantee allows hospitals to lock in low interest rates and reduce borrowing costs for major renovation, expansion, replacement, and refinancing projects that help improve healthcare access and quality. Loans are up to 25 years in length plus a construction period if applicable. The risk category also includes Section 241(a) supplemental loans, Section 223(a)(7) loans for refinancing current FHA-insured projects, and Section 223(e) loans for hospitals in older, economically declining urban areas.

Single-Family Risk Categories

Title 1 Property Improvement

The Title I Property Improvement program insures loans for repairs and other improvements to residential and non-residential structures, as well as new construction of non-residential buildings.

Title 1 Manufactured Housing

Under Title I, HUD provides mortgage insurance for loans used to finance manufactured homes, lots on which to set the homes, or the home and lot together.

GI/SRI RISK CATEGORIES AND ESTIMATED VOLUME

2026 GI/SRI Programs (Dollars in Millions) ^c	Commitment Volume (projected)	Credit Subsidy Rate	Offsetting Receipts (projected) ^a
Direct Loans Levels			
FFB Risk Sharing	\$517	-11.23%	\$27
Guaranteed Loan Levels			
Apartments New Construction / Substantial Rehab (221d4)	\$4,163	-1.95%	\$78
Tax Credit Projects (includes Healthcare Tax)	\$3,589	-2.04%	\$64
Apartment Refinances (223a7 & 223f)	\$4,069	-2.47%	\$95
Housing Finance Agency Risk Sharing (542c)	\$15	-0.90%	\$0
GSE risk-share	\$0	-1.30%	\$0
Other Rental	\$87	-6.91%	\$6
Subtotal - Multifamily Programs ^b	\$11,923	-2.19%	\$242
New Construction and 241(a)/Residential Care Facilities (232_nc), 241(d)	\$14	-3.70%	\$1
Refinances (a7 and 223(f))/Residential Care Facility Refinances (232_refi)	\$4,490	-3.42%	\$147
Hospitals (242, 241, 223f, 223a7)	\$365	-5.27%	\$24
Subtotal - Healthcare Programs ^b	\$4,869	-3.56%	\$172
Title 1 - Property Improvement	\$18	-2.46%	\$0
Title 1 - Manufactured Housing	\$8	-6.87%	\$1
Total - Guaranteed Loan Levels ^b	\$16,817	-2.59%	\$414
Total - GI/SRI Fund ^b	\$17,334	-2.85%	\$441

a/ Receipts are recognized as the underlying loans are disbursed.

b/ The subsidy rate is a weighted average.

c/ Amounts may not add up to Total due to rounding.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Positive Subsidy Appropriation	-	1,574	1,574	-	-	1,574	1,574	-
Total	-	1,574	1,574	-	-	1,574	1,574	-

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

New commitments to guarantee loans insured under the General and Special Risk Insurance Funds, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), shall not exceed \$35,000,000,000 in total loan principal, any part of which is to be guaranteed, to remain available until September 30, 2027: Provided, That during fiscal year 2026, gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed \$1,000,000, which shall be for loans to nonprofit and governmental entities in connection with the sale of single family real properties owned by the Secretary and formerly insured under such Act.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119-4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Government National Mortgage Association

Mortgage-Backed Securities Program

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	550,000,000	900,000,000	-	1,450,000,000	432,324,000	-
2025 Appropriation	550,000,000	550,000,000	-	1,100,000,000	552,352,560	-
2026 President's Budget	550,000,000	550,000,000	-	1,100,000,000	671,881,962	-
Change from 2025	-	-	-	-	119,529,402	-

ADMINISTRATIVE EXPENSES AND COMMITMENT & MULTICLASS FEES

(Dollars in Thousands)

	Carryover	Spending Authority from Offsetting Collections	Budget Authority	Precluded	Obligations	Net Outlays
2024 Appropriation	1,510,194	156,534	57,000	(1,609,728)	51,165	(103,826)
2025 Appropriation	1,609,728	177,726	57,000	(1,730,454)	61,998	(115,528)
2026 President's Budget	1,730,454	196,853	56,000	(1,871,307)	54,981	(141,022)
Change from 2025	120,726	19,127	(1,000)	(140,853)	(7,017)	(25,494)

a/ 2024 & 2025 Budget Authority include \$3 million of earned no-year funds contingent on volume, which is not included in the S&E CJ.

PROGRAM PURPOSE

The Government National Mortgage Association (Ginnie Mae) helps make affordable housing possible for millions of Americans by connecting global capital to the U.S. housing market – while limiting risk to taxpayers.

Ginnie Mae does this by guaranteeing that investors in mortgage-backed securities (MBS) receive timely payments of principal and interest. This guaranty is backed by the full faith and credit of the U.S. Government, making Ginnie Mae securities highly trusted.

As a result, mortgage lenders can sell their loans at better prices in the secondary market. This increases the funds available for new home loans and allows lenders to offer borrowers more affordable interest rates. Ultimately, Ginnie Mae plays a critical role in expanding access to homeownership – especially for those served by Federal mortgage programs.

BUDGET OVERVIEW

The 2026 President's Budget requests the following for the Ginnie Mae MBS Program:

- \$550 billion (non-cash) in limitation on new commitments of single class MBS, which is equal to the 2025 Enacted level; and
- \$56 million in spending authority from offsetting collections to cover salaries and expenses (S&E), which is \$2 million more than the 2025 Enacted level.

Commitment Authority

The 2026 President's Budget requests \$550 billion in commitment authority, to remain available until September 30, 2027. This funding level is necessary to ensure that Ginnie Mae can continue its mission of channeling capital from global markets to the primary market for federally backed mortgages – administered through HUD's Federal Housing Administration (FHA) and Office of Public and Indian Housing (PIH), the Department of Veterans Affairs (VA), and the U.S. Department of Agriculture's (USDA) Rural Development programs – thereby maintaining support for affordable homeownership and housing opportunities for Americans across the single family, multifamily, manufactured housing, and reverse mortgage segments of the market.

Salaries and Expenses

The 2026 President's Budget requests \$56 million, to remain available until September 30, 2027. Ginnie Mae's S&E budget is offset by an estimated \$197 million in collections from Commitment and Multiclass fees, resulting in a net budget authority of -\$141 million. The Budget does not include contingent appropriations in the appropriations language.

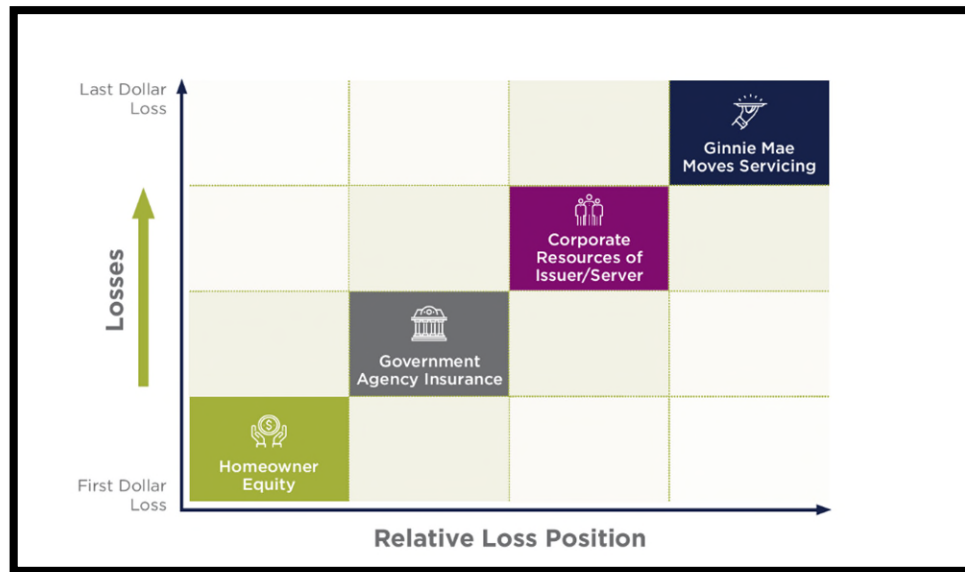
Please see the Ginnie Mae S&E Congressional Justification for more details.

JUSTIFICATION

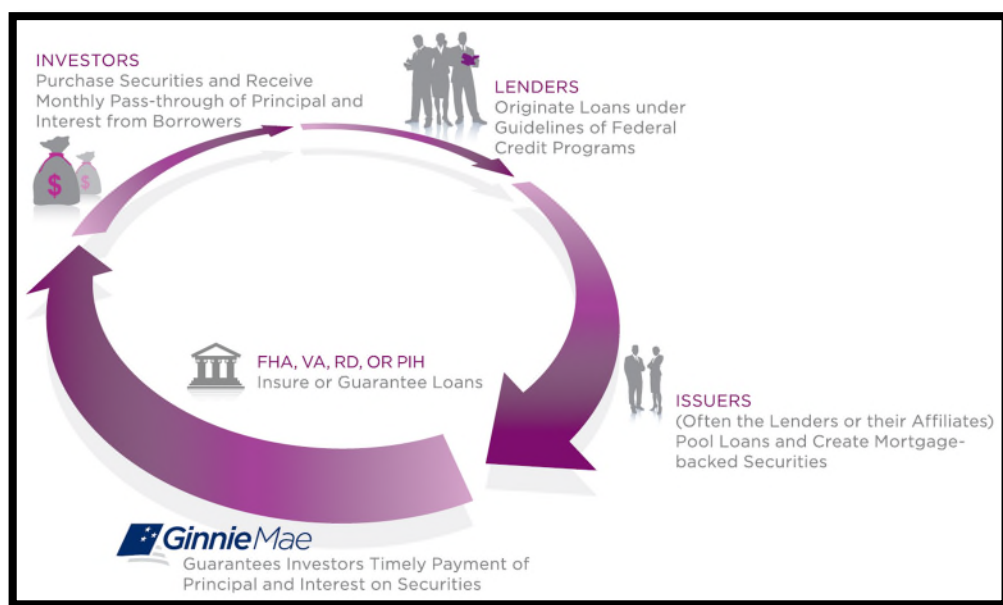
Ginnie Mae, authorized by Title III of the National Housing Act, as amended (P.L. 73-479; codified at 12 U.S.C. 1716 et seq.), does not make or purchase mortgage loans, nor does it buy, sell, or issue securities. Instead, Ginnie Mae supports liquidity in the mortgage market by guaranteeing timely payment of pass-through income to investors of MBS pooled by mortgages insured and guaranteed by the Federal Government.

To do this, the Congress provides Ginnie Mae with a dollar amount of commitment authority. Ginnie Mae sells this commitment authority to approved lending institutions (Issuers), giving Issuers the ability to pool their eligible Federally-insured mortgages and sell them as Government-guaranteed MBS. Ginnie Mae, in turn and as authorized by Section 306(g) of the National Housing Act, guarantees the performance (i.e., timely payment of principal and interest) of the Issuer who issues the MBS and who continues to service and manage the underlying loans. In return for this guarantee on MBS securitized by approved Issuers, Ginnie Mae charges a guaranty fee.

It is through this business model that Ginnie Mae executes its mission and furthers the Administration's priorities, while also significantly limiting its exposure to risk (see Figure 1).

Figure 1: Protecting the Ginnie Mae Guaranty

The Ginnie Mae guaranty, coupled with an expected return higher than U.S. Treasury securities, makes Ginnie Mae securities highly liquid and attractive to domestic and foreign investors of all types. This liquidity is passed on to the Issuers who can then use the proceeds from issuances to make new loans available. The ongoing cycle (as depicted in Figure 2) helps support accessible and affordable housing for America. Because the Ginnie Mae guaranteed MBS are backed by the full faith and credit of the U.S. Government, capital continues to flow even during recessionary periods when liquidity stalls in the private market and in times of great market change. This powerful feature ensures that mortgage financing is available for homeownership and rental properties regardless of the economic climate.

Figure 2: Capital Flow of Ginnie Mae Guaranteed Securities

Funding Impact and Outcomes

Over its 57-year history, Ginnie Mae has enabled tens of millions of American households to access affordable mortgage lending, homeownership, and rental housing opportunities. In 2024, Ginnie Mae MBS issuances reached \$419.4 billion¹, supporting an additional 1.2 million households, including veterans and families from urban, rural, Tribal, and underserved communities, and more than 630,000 loans for first-time home buyers. Ginnie Mae's total outstanding MBS hit a historic high of \$2.64 trillion, an increase of 6 percent year over year, representing a total of over 11 million loans. These achievements underscore our commitment to ensuring that all Americans have access to affordable mortgage options.

Without Ginnie Mae's guarantee program, access to mortgage credit through Federal loan programs would be significantly limited, reducing the availability of affordable financing options for millions of eligible borrowers.

Key Assumptions

The 2026 Budget, coupled with forecasted carryover funds, will support uninterrupted operations – providing funding for approximately 1.7 million loans – while still retaining a balance to account for any unforeseen changes to market and economic conditions.

Stakeholders

Ginnie Mae has established, strengthened, and maintained strong partnerships with private and public stakeholders, counterparties, and Federal Agencies to help expand access to quality affordable housing and reduce housing costs nationwide. Ginnie Mae continues to engage with a broad spectrum of stakeholders to strengthen the U.S. housing finance system and broaden our investor

¹ Following the close of FY 2024, issuances were adjusted to \$423.4 billion.

MORTGAGE-BACKED SECURITIES PROGRAM

base. This dialogue reinforces the value of Ginnie Mae’s mission and the importance of liquidity, innovation, and the role of independent mortgage banks in preserving access to affordable credit. These stakeholder engagements are crucial to advancing affordable housing, ensuring the strength of Ginnie Mae’s MBS program, and maintaining its appeal as a global investment.

User Fees

Fee	Statute	Where and How the Fee Is Collected	2026 Fee Schedule	Estimated Collections (dollars in thousands)
Commitment Authority Application Fee	Title III of the National Housing Act, as amended (P.L. 73-479; codified at 12 U.S.C. 1716 et seq.)	Ginnie Mae receives funds via ACH drafts from the Pool Processing Agent and through the Pay.gov website.	First \$1.5 million: \$500 Additional Amounts: \$200 for each additional \$1 million (or part thereof)	\$134,933
Multiclass Fees	Title III of the National Housing Act, as amended (P.L. 73-479; codified at 12 U.S.C. 1716 et seq.)	Ginnie Mae receives funds via ACH drafts from the Pool Processing Agent and through the Pay.gov website.	First \$100 Million: 7.5 basis points Additional Amounts: 2.5 basis points Additional Multifamily fee: \$10,000 Modification and Exchange (MX) combination fee: \$3,000 per MX combination	\$61,920

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Commitment Authority	550,000,000	900,000,000	1,450,000,000	432,324,000	550,000,000	550,000,000	1,100,000,000	550,000,000
Total	550,000,000	900,000,000	1,450,000,000	432,324,000	550,000,000	550,000,000	1,100,000,000	550,000,000

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$550,000,000,000, to remain available until September 30, 2027: Provided, That \$56,000,000, to remain available until September 30, 2027, to be derived from fees credited as offsetting collections to this account, including balances of fees collected and credited in prior fiscal years, shall be for necessary salaries and expenses of the Government National Mortgage Association: Provided further, That receipts from Commitment and Multiclass fees collected pursuant to title III of the National Housing Act (12 U.S.C. 1716 et seq.) shall be credited as offsetting collections to this account.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Government National Mortgage Association

SALARIES AND EXPENSES

(Dollars in Thousands)

	2024*	2025			2026		
	Actuals	Carryover	Enacted	Total	Carryover	Request	Total
Personnel Services	46,844	7,408	51,726	59,134	2,274	49,459	51,733
Non-Personnel Services	-	-	-	-	-	-	-
Working Capital Fund	-	1,744	-	1,744	-	850	850
Carryover	9,152	-	2,274	2,274	-	5,691	5,691
Grand Total	55,996	9,152	54,000	63,152	2,274	56,000	58,274
FTEs	210	33	230	263	10	219	229
Onboard End of Year	258			260			235

* Includes 2023 carryover

PROGRAM PURPOSE

Ginnie Mae is a self-sustaining, Government-owned corporation that plays a vital role in the U.S. housing finance system. Its mission is to attract both domestic and global capital into the housing market by guaranteeing mortgage-backed securities (MBS) comprised of loans insured or guaranteed by Federal housing programs, including the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), the Rural Housing Service (RHS), and the Office of Public and Indian Housing (PIH). Ginnie Mae's full faith and credit guaranty – an explicit commitment by the U.S. government to ensure investors receive timely payment of principal and interest, even if a borrower or lender defaults – eliminates credit risk. This assurance makes the Ginnie Mae MBS a trusted and sought-after asset worldwide, enabling steady liquidity for lenders and uninterrupted access to mortgage credit for millions of Americans.

Through its mission and unique function, Ginnie Mae directly supports National Essential Function (NEF) 7 – protecting and stabilizing the U.S. economy and preserving confidence in the financial system. Its continued ability to meet this critical role depends on timely, efficient MBS operations, robust oversight of complex financial transactions, and proactive management of risk (issuer, cyber).

BUDGET OVERVIEW

The 2026 Budget requests \$56 million for Ginnie Mae, a \$2 million increase above the 2025 Enacted level. The Budget reflects total funding (carryover and new authority) of \$58.3 million, \$4.9 million below 2025 total funding.

The Budget is a targeted investment to preserve operational continuity and sustain the core functions that allow Ginnie Mae to fulfill its statutory mandate. It is a necessary step to maintain Ginnie Mae's role as a reliable bridge between federally backed mortgages and global capital markets. Ginnie Mae has realized substantial staffing changes through workforce efficiency initiatives such as the Deferred Resignation Program (DRP). These changes have presented an opportunity for the prioritization of mission-essential areas, such as issuer risk oversight, management of defaulted MBS portfolios, cybersecurity, and active issuer portfolio management. The Budget reflects a commitment to Ginnie Mae's core business functions while also minimizing

long-term costs to taxpayers. Ginnie Mae's business model differs from those of the Government-Sponsored Enterprises (GSEs), but there are notable operational similarities, such as managing large MBS portfolios and supporting liquidity in the housing market. While acknowledging differences in scope and function, it is worth noting that Ginnie Mae manages a comparable MBS portfolio with a leaner staff, reflecting its unique, streamlined approach to fulfilling its statutory mission.

The Budget provides essential funding for Ginnie Mae to meet the evolving demands of the housing finance system.

The requested funding will support the strategic backfilling of 25 essential positions as compared with approximately 68 positions reduced through attrition in 2025 (18 employees) and 2026 (50 employees). This Budget reflects a disciplined approach focused on the most critical operational needs, while remaining in full support of the Administration's workforce efficiency goals. Ginnie Mae has realized workforce efficiencies and will remain in a net staff reduction posture in 2026, with projected staffing of approximately 229 full-time equivalents (FTEs), a reduction from the 263 FTEs projected for 2025. All hiring actions will be conducted in full compliance with applicable Executive Orders and Administration guidance, consistent with the priorities of the HUD Secretary, and with the Department of Government Efficiency (DOGE), Office of Personnel Management (OPM), and other relevant oversight bodies.

Personnel Services (PS)

The Budget assumes total funding of \$51.7 million for PS to support 229 FTEs, which is \$7.4 million below the total 2025 PS funding level. The Budget will support the following:

	FTE	Cost (Millions)
Maintain Essential Operations	216	\$48.80
<i>Build Operations:</i>		
Core Business Functions	2.6	\$0.60
MBS Program Management	3.1	\$0.70
Risk Management	1.6	\$0.30
External Affairs	0.5	\$0.10
<i>Strategic Initiatives:</i>		
MBS Platform & Operations	5.2	\$1.20
Backfill Mission-Critical Positions	13	\$2.90
Total	229	\$51.70

In compliance with the Federal hiring freeze and Executive Order (EO) 14210, *Implementing the President's "Department of Government Efficiency" Workforce Optimization Initiative*, the Agency implemented workforce initiatives beginning in 2025 that, combined with natural attrition, will result in total attrition of 68 employees (a 26% reduction) by the end of 2026. These initiatives are fully aligned with the Administration's Government-wide efficiency goals and demonstrate Ginnie Mae's commitment to operating in the most efficient and effective manner possible.

To preserve efficiency gains while prioritizing core operations, the 2026 Budget supports two priorities: 1) maintain essential services with a smaller, more agile workforce, and 2) selectively backfill up to 25 high-impact positions (13 FTEs), in full compliance with EO 14210. See **Key Operational Initiatives** section below for more on *Maintaining Essential Operations* and *Backfilling Mission-Critical Positions*.

Non-Personnel Services (NPS)

The Budget assumes total NPS funding of \$0, which is the same as the total 2025 NPS level.

NPS for travel, training, printing, supplies, and other services will primarily be supported through carryover from the no-year account. These resources will be used to strengthen engagement with local and international investors, reinforcing confidence in the Ginnie Mae platform and supporting long-term demand for our securities. We are not requesting any new authorities, as we continue to prioritize cost-effective operations and maximize the impact of existing resources through disciplined spending and operational efficiency.

Working Capital Fund (WCF)

The Budget assumes \$850 thousand for WCF expenses. Please see the WCF Congressional Justification for details on the current WCF business lines.

KEY OPERATIONAL INITIATIVES

Maintain Essential Operations (\$48.8 million / 216.0 FTE)

The 2026 Budget provides funding to support Ginnie Mae's projected Start of Year (SOY) staffing levels – ensuring the Agency can fully fund personnel on board at the start of the fiscal year. This request reflects the necessary operational capacity required to maintain market trust, manage MBS program risk, and support HUD's housing access goals nationwide.

Ginnie Mae remains essential to the stability and accessibility of the U.S. housing finance system. In FY 2024, the Agency expanded its MBS portfolio to \$2.64 trillion – up 6 percent from the previous year – through \$419.4 billion¹ in new issuance that supported 1.2 million households, including veterans and more than 630,000 first-time homebuyers. These results underscore the scale, efficiency, and public value of the work Ginnie Mae staff deliver each day.

Maintaining this level of impact requires a workforce with expertise and capacity to manage risk, sustain market confidence, and meet guaranty obligations. The 2026 Budget supports this need by preserving essential staff and selectively backfilling priority roles. This approach builds on workforce efficiency initiatives implemented in FY 2025 and reflects a leaner, more focused operational model aligned with Federal efficiency goals.

Ginnie Mae staff are directly responsible for:

- *Generating Fiscal Value:* In FY 2024, Ginnie Mae earned \$3.1 billion in net income with fewer than 270 employees – demonstrating high return on investment and efficient operations.
- *Preserving Market Liquidity:* Staff ensure the continuous flow of global capital into U.S. housing markets, supporting affordable mortgage credit for millions of borrowers.
- *Maintaining Investor Confidence:* Consistent and reliable operations signal strength to global investors, reinforcing trust in Ginnie Mae securities and ensuring demand for federally backed housing finance.

¹ Following the close of fiscal year 2024, issuances were adjusted to \$423.4B.

- *Managing Risk:* Staff oversee over 350 issuers – most of which are non-depositories with elevated risk profiles – requiring active monitoring, compliance enforcement, and timely interventions.
- *Advancing Housing and Economic Policy:* Through single-family, multifamily, and specialized housing programs, staff support national goals of homeownership, affordability, and job creation.

Backfill Mission-Critical Positions (\$2.9 million / 13.0 FTE)

The 2026 budget includes \$2.9 million to backfill up to 25 mission-critical vacancies, equivalent to 13 FTEs, to support essential operations. Ginnie Mae has consistently operated under a lean workforce model, and that paired with workforce efficiency efforts occurring in 2025 and 2026 further highlights Ginnie Mae’s continued commitment to keeping operating costs as low as possible while still meeting the mission.

Across the following areas, this reinvestment preserves efficiency gains, while ensuring the Agency can fulfill its obligations, respond to market stress, and maintain trust in the MBS program:

1. Build Operations

Core Business Functions (\$0.6 million / 2.6 FTE)

Ginnie Mae has identified five key backfill positions to maintain financial controls and oversee critical contracts, including those supporting high-volume cash operations such as the master subservicer contract. These roles are essential to ensuring accurate execution, operational efficiency, and accountability across core functions.

- *Contract Management and Oversight:* Strengthening procurement operations is essential to managing Ginnie Mae’s multi-billion-dollar contract portfolio. This function serves as the lead advisor on all procurement-related activities. This role is key to avoiding delays, cost overruns, and service interruptions.
- *Accounting for Complex Programs:* Supporting high-volume accounting operations – particularly for the defaulted reverse mortgage funding (RMF) portfolio – requires specialized expertise to manage claims, reconcile servicing transfers, and process monthly transactions exceeding \$500 million. Capacity gaps in this area increase audit and compliance risks.
- *Financial Reporting and Systems Oversight:* Ginnie Mae is one of the few government corporations required to comply with both Federal and commercial reporting standards—a dual-reporting responsibility that requires specialized expertise not commonly found across the Federal Government. The targeted hiring in this area will ensure accurate disclosures, timely audits, and compliance with executive orders on financial transparency; and maintain system integrity, supporting reliable data, and ensuring the continuity of core financial operations.

Together, these positions invest in foundational business functions and support Ginnie Mae’s responsibility as a high-performing, self-financed Government corporation.

MBS Program Management (\$0.7 million / 3.1 FTE)

Stability and oversight in the MBS program – spanning single-family, multifamily, reverse mortgage, and manufactured housing – depends on sufficient capacity to oversee issuers, enforce compliance, and manage program policy. Six key positions have been identified for backfill:

- *Issuer Oversight and Support:* Investing in oversight capacity will ensure program integrity and minimizing exposure to non-compliance.
- *In-House Compliance Reviews:* Reduce reliance on contractors through prioritizing targeted reviews in-house, enables Ginnie Mae to improve quality, accountability, and alignment with GAO recommendations to insource critical issuer oversight functions.
- *MBS Program Development and Execution:* Critical to supporting the release and execution of programmatic updates, managing stakeholder inquiries, and maintaining leadership briefings and transaction documentation.

These functions are central to maintaining a well-governed, risk-aware MBS platform that meets evolving market and programmatic needs.

Risk Management (\$0.3 million / 1.6 FTE)

Preserving trust in the Ginnie Mae guaranty requires the ability to monitor and manage issuer financial and operational risk across a growing and complex issuer base. Ginnie Mae identified three critical staff within the Office of Enterprise Risk (OER) to rebuild core risk management capacity:

- *Counterparty Risk Monitoring:* Ginnie Mae must continuously assess the financial health of its over 350 issuers, especially non-depositories facing liquidity challenges. Investing in Ginnie Mae's ability to monitor issuer health, detect early warning signs and proactively manage exposure is critically important – especially among independent mortgage bankers under financial stress.
- *Financial Modeling and Forecasting:* The Agency's risk posture – its ability to evaluate factors such as interest rates, housing market conditions, issuer performance – depends on timely updates to economic models used to inform capital planning, financial reporting, and audit support. Investing in this area equips Ginnie Mae to adapt to market shifts or stress scenarios.
- *Enterprise Risk Integration:* Embedding risk analysis into internal audit and strategic planning processes is essential for compliance with OMB A-123 guidance and strengthening internal controls. This capacity helps connect risk oversight to broader corporate decision-making.

External Affairs (\$0.1 million / 0.5 FTE)

Strategic engagement and communications are vital to maintaining public trust and supporting transparency with the Congress, issuers, investors, the public (borrowers), and other key stakeholders:

- *External Communication and Coordination:* One position will support executive non-career leadership in preparing public remarks, coordinating events, responding to inquiries, and developing messaging for public-facing reports and content. Restoring capacity in this area ensures Ginnie Mae can effectively communicate its mission and role in supporting the housing finance system.

2. Strategic Initiatives

MBS Platform & Operations (\$1.2 million / 5.2 FTE)

The evolving demands of the housing finance system – particularly around cybersecurity, resiliency, and modernization – require Ginnie Mae to strengthen its foundational technology and program execution infrastructure. The 2026 Budget includes targeted funding to support business continuity, secure technology operations, and stabilize key systems and business processes across the Office of Enterprise Data and Technology Solutions (OEDTS) and Office of Securities Operations (OSO). In 2025, workforce optimization resulted in a 31 percent reduction to IT staffing in OEDTS. These savings present an opportunity to align staffing resources to the most critical elements of cybersecurity readiness, incident response, and business continuity.

- *Cybersecurity and Incident Response:* With increasing threats targeting the financial sector – including Ginnie Mae counterparties – investment is needed to strengthen cyber defense posture. Restored staffing will support integrated incident response, disaster recovery planning, and continuity of operations simulations to reduce risk and enhance resilience.
- *Business Process Continuity and Resiliency:* Maintaining uninterrupted services in the face of growing complexity requires support for data integrity, secure cloud operations, and real-time risk monitoring. These activities are foundational to sustaining Ginnie Mae’s role as a stable, reliable guarantor in the secondary mortgage market.
- *Technology and Infrastructure Oversight:* Targeted hires will support continued oversight of Ginnie Mae’s securitization platform – including loan pooling, security issuance, investor reporting, and monthly remittance operations. These systems must be consistently managed to ensure timely payments to security holders and the integrity of MBS disclosures to the public.

As part of these initiatives, Ginnie Mae is aligning resources to right-size operational leadership within OSO to manage securitization functions, portfolio administration, and internal system enhancements. These leadership functions are essential to ensuring MBS program execution and operational stability during every cycle of MBS issuance and reporting.

These investments will allow Ginnie Mae to continue delivering uninterrupted, secure, and scalable mission-driven services, while adapting to growing technology demands and emerging operational risks.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Policy Development and Research

Research and Technology

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	139,000	51,192	-	190,192	98,192	134,852
2025 Appropriation	139,000	94,298	-	233,298	123,048	158,000
2026 President's Budget	95,000	110,250	-	205,250	92,000	157,000
Change from 2025	(44,000)	15,952	-	(28,048)	(31,048)	(1,000)

a/ The 2025 Carryover includes \$2.3 million in anticipated recaptures.

PROGRAM PURPOSE

The Research and Technology (R&T) account, administered by the Office of Policy Development and Research (PD&R), supports the mission of the Department through policy analysis, research, surveys, and program evaluations, as authorized and amended in Title V of the Housing and Urban Development Act of 1970. The R&T account provides funding for research and evaluations, data infrastructure development, information management, and program implementation support. PD&R's work enables the President, Secretary, other agencies, and the Congress to make informed decisions on budget and legislative proposals and to strengthen housing and community development programs and policy.

BUDGET OVERVIEW

The 2026 President's Budget requests \$95 million for the Research and Technology account, which is \$44 million less than the 2025 enacted level. This includes:

- \$76.5 million for **Core R&T** to support the American Housing Survey and other national surveys, knowledge management, data acquisition, research dissemination, housing technology and innovation, housing finance, and research partnerships.
- \$7 million for **Research, Evaluations, and Demonstrations (RED)** to support experimental demonstrations of innovative policies and programs, evaluations of current programs, and other research on key Administration priorities such as deregulation in the housing market, increasing housing supply, and lowering housing costs.
- \$11.5 million for the newly proposed **Implementation Support for the State Rental Assistance Program** to support States' efforts to transition from existing HUD rental assistance programs and design and implement the new State Rental Assistance Program informed by research evidence and best practices.

JUSTIFICATION

The requested funding level for R&T provides support for three critical functions that support innovation and evidence-based policymaking at HUD and improves outcomes for HUD's program partners: Core R&T, RED, and Implementation Support for the State Rental Assistance Program. The primary stakeholders for the R&T account are HUD program offices, HUD grantees, local, State, and Federal policymakers, researchers, and recipients of HUD programs.

Core Research and Technology

Core R&T requires the largest share of R&T resources and is comprised of three components: Housing Data Infrastructure; Knowledge Management, Dissemination, and Outreach; and Technical Expertise and Innovation. The 2026 Budget will allow PD&R to fund critical surveys, housing technology research, housing finance research, data purchases, and innovation events, and to maintain knowledge management activities.

Housing Data Infrastructure

The largest component of Core R&T is support for the surveys that constitute the backbone of the Nation's housing data infrastructure. Reliable and well-structured housing survey datasets inform policymakers about homeowner and rental units, HUD-assisted and unassisted populations, and the nature of affordable housing problems. The largest of these data sources is the American Housing Survey (AHS), which covers the Nation's housing stock, housing finance, and characteristics of markets, neighborhoods, and occupants, and supports national, regional, and metropolitan area estimates. PD&R has been working with the Census Bureau to transition the AHS from a biennial survey to a continuously collected survey with annual data releases. The first release of AHS data in its annual format is expected in September 2027. The benefits of the continuous survey are more frequent national estimates as well as lower cost and higher quality due to having a consistent workforce and not having to hire and train followed by laying off staff between survey periods.

Other surveys funded under Core R&T provide important data necessary to monitor housing needs, housing finance topics, and local housing market conditions. These surveys include the Survey of Construction (SOC), the Survey of Market Absorption of Apartments (SOMA), the Manufactured Homes Survey (MHS), and the Rental Housing Finance Survey (RHFS). Housing data infrastructure also includes the acquisition of private sector data, and other data such as Low-Income Housing Tax Credit (LIHTC) and U.S. Postal Service data on active and vacant addresses that are used in PD&R research and for numerous policy-relevant purposes. PD&R also partners with other Federal Agencies to link and analyze complementary administrative and survey data, such as matching HUD assisted and or FHA data to Medicare and Medicaid data, data from the National Center for Health Statistics, data at the Census Bureau such as Decennial Census, American Community Survey, and IRS records — activities that greatly enhance the value of these public investments.

HUD's survey activities are overseen by HUD's Statistical Official, located in PD&R. The Statistical Official leverages HUD's housing data assets through linkages with administrative data and external surveys; analyzing data to produce key program parameters, such as income limits and fair market rents; and to inform key policy initiatives. In addition, PD&R houses HUD's Chief Data Officer, who works to strengthen HUD's data governance, enhance privacy protections, and generate open data and HUD's Evaluation Officer who assesses the coverage, quality, methods, consistency, effectiveness, independence, and balance of the portfolio of evaluations, policy research, and ongoing evaluation activities of the agency. All three positions are required by P.L. 115-435, Foundations for Evidence-Based Policymaking Act.

Knowledge Management, Dissemination, and Outreach

Knowledge management in PD&R ensures that knowledge is created, organized, and shared with HUD and Administration officials, program staff, grantees, researchers and policy analysts, policymakers, and the public. Along with formal research reports and the academic journal *Cityscape*, several shorter-format periodicals such as *PD&R Edge* and *Evidence Matters* make data and research freely accessible to broad audiences. U.S. Housing Market Conditions reports—including the Comprehensive Housing Market Analyses produced by PD&R economists—provide in-depth looks at economic, demographic, and housing inventory trends of specific housing markets to guide builders, lenders, and others. PD&R stakeholders have access to more than 10,000 full abstracts of research reports, articles, books, and data sources on www.huduser.gov. During 2024, users downloaded an average of 999,000 files per month from the HUD User website, and the website averaged almost 45 million monthly hits.

In accordance with P.L. 115-336, the 21st Century Integrated Digital Experience Act, PD&R continues to improve on its delivery and the design of the HUD User website, which gives PD&R stakeholders access to new and historical research studies, HUD periodicals, case studies, HUD datasets, data applications, and mapping systems, among other resources. Knowledge management also includes operation of the HUD Exchange website, which supports HUD recipients and stakeholder organizations with effective housing and community development program implementation, through a learning management system including 5,000 training courses, resources libraries comprised of 9,000 pieces of guidance, and 24 web-applications. HUD Exchange fielded 6 million user sessions in 2024, facilitating 19.5 million views, 1.5 million downloads, and 67,000 training completions.

Technical Expertise and Innovation

Core R&T also supports housing technology research, including research on factory-built housing; housing finance research; innovative housing design research and events such as the Innovative Housing Showcase on the National Mall; and research partnerships and grants. Recent housing innovation subjects have included research to support wider adoption of 3D printed homes, factory installation of HVAC systems in manufactured housing, and a research roadmap to support greater factory-built construction of homes. The Research Partnerships program provides matching funds for external researchers who propose research on topics that address the Department's learning priorities and that use innovative methods.

Research, Evaluation, and Demonstrations

Research, Evaluation, and Demonstrations (RED) funding will allow PD&R to continue existing program evaluations and conduct new evaluations, demonstrations, and policy-focused research that advance Administration priorities and promote strategic evidence-building.

PD&R's discretionary research and evaluation is guided by HUD's Annual Evaluation Plan, which PD&R develops in consultation with internal and external stakeholders to identify the highest priority needs for research and data to inform evidence-based policymaking. Research priorities include housing affordability, family structure and economic mobility, housing cost drivers, housing market deregulation, community responses to homelessness, advanced building methods, and Opportunity Zones. PD&R also intends to invest in research and evidence-building to support the State Rental Assistance Program.

Implementation Support for State Rental Assistance Program

PD&R will provide support for states as they implement the new State Rental Assistance Program. Implementation support in 2026 would focus on program rollout in three components: 1) proactive development and distribution of tools, templates, and supports to guide States in designing rental assistance programs that meet their unique local needs; 2) targeted/risk-based direct assistance to help States build capacity and establish structure to support their programs; and 3) support for peer collaboration and learning among States on how to most efficiently and effectively address their affordable housing needs. This peer learning work would include convening working groups, sharing best practices, and helping develop model documents for:

- model rental assistance delivery methods and contracts;
- transition support for property owners' existing HUD rental assistance contracts;
- tenant-based rental assistance models, which can include direct cash assistance;
- implementing shallow subsidies, time limit requirements, and other policies to promote self-sufficiency; and
- promoting development of new affordable rental housing.

PD&R has a wealth of research conducted over the last 50 years to inform Implementation Support for the State Rental Assistance Program. With its research funds, PD&R will produce a summary of this compilation of research to inform States as they design their programs. PD&R would also fund studies of the various models being piloted by States and local governments and share those findings to support peer learning.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Research and Technology Activities	119,000	31,192	150,192	98,192	119,000	54,298	173,298	95,000
Eviction Protection Grants	20,000	20,000	40,000	-	20,000	40,000	60,000	-
Total	139,000	51,192	190,192	98,192	139,000	94,298	233,298	95,000

a/ 2024 Carryover Into 2025 column includes \$2.3 million in anticipated 2025 recaptures.

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary of Housing and Urban Development under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, and for program implementation support, \$95,000,000, to remain available until September 30, 2027: Provided, That with respect to amounts made available under this heading, notwithstanding section 203 of this title, the Secretary may enter into cooperative agreements with philanthropic entities, other Federal agencies, State or local governments and their agencies, Indian Tribes, tribally designated housing entities, or colleges or universities for research projects: Provided further, That with respect to the preceding proviso, such partners to the cooperative agreements shall contribute at least a 50 percent match toward the cost of the project: Provided further, That for non-competitive agreements entered into in accordance with the preceding two provisos, the Secretary shall comply with section 2(b) of the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282; 31 U.S.C. 6101 note) in lieu of compliance with section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545(a)(4)(C)) with respect to documentation of award decisions.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119-4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Fair Housing and Equal Opportunity

Fair Housing Activities

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	86,355	42,372	-	128,727	66,008	71,097
2025 Appropriation	86,355	62,123	-	148,478	85,073	90,028
2026 President's Budget	26,000	63,405	-	89,405	85,505	96,078
Change from 2025	(60,355)	1,282	-	(59,073)	432	6,050

PROGRAM PURPOSE

HUD's Office of Fair Housing and Equal Opportunity (FHEO) works to eliminate housing discrimination and increase public understanding of Federal fair housing policies and laws. FHEO administers the Fair Housing Assistance Program (FHAP) that supports State and local enforcement agencies who collectively process about 75 percent of the Nation's fair housing complaints under the Fair Housing Act.

BUDGET OVERVIEW

The 2026 President's Budget requests \$26 million for Fair Housing activities, which is \$60.4 million below the 2025 Enacted level. The funding supports the Fair Housing Assistance Program (FHAP), which provides State and local civil rights enforcement agencies with grants, training, and other assistance.

JUSTIFICATION

The Budget of \$26 million will enable State and local FHAP agencies to cover costs associated with increased salaries and expenses and competitive employee recruitment and retention. The level proposed for FHAP also funds Capacity Building, which will support the admission of 2 to 4 new agencies into FHAP pending review and certification.

FHAP agencies investigate approximately three-quarters of the complaints filed under the Fair Housing Act. Currently, there are 74 FHAP agencies in the program, including 34 States (including the District of Columbia) and 40 localities. FHAP agencies investigate fair housing complaints to ensure compliance with fair housing laws and, where necessary, litigate complaints to address violations. FHAP agencies plan and conduct investigations, interview parties and witnesses, gather and analyze evidence, facilitate resolution, render determinations, and ensure compliance with settlement agreements. FHAP agencies also conduct education on fair housing and fair lending at events throughout their jurisdictions. During the 2023 case processing year (July 1, 2023 – June 30, 2024), FHAP agencies processed over 6,200 fair housing complaints and obtained monetary relief totaling \$7.5 million, in addition to public interest relief such as adoption or revision of nondiscrimination policies, education and outreach efforts, and fair housing training.

Performance Indicators

FHEO measures success by monitoring: 1) FHAP agency financial management techniques; 2) FHAP agency ability to meet the nine performance standards and program requirements at 24 CFR §§ 115.206 and 115.307; and 3) number of cases processed by FHAP agencies each year and number of cases FHAP agencies resolved through recommendation of a legal charge of discrimination or a conciliation. FHEO monitors agency performance and conformity with regulatory requirements at least once every 24 months, and in connection with recertification every five years.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Fair Housing Activities	86,355	42,372	128,727	66,008	86,355	62,123	148,478	26,000

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq), \$26,000,000, to remain available until September 30, 2027: Provided, That none of the funds made available under this heading may be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant, or loan.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Lead Hazard Control and Healthy Homes

Lead Hazard Reduction

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	295,600	709,219	(65,000)	939,819	531,124	183,315
2025 Appropriation	295,600	402,270	-	697,870	425,136	417,766
2026 President's Budget	-	273,248	-	273,248	267,548	397,399
Change from 2025	(295,600)	(129,022)	-	(424,622)	(157,588)	(20,367)

a/ Total Resources may not tie to the Budget Appendix due to rounding.

b/ 2024 Carryover includes \$5.5 million in recaptures.

c/ 2024 Adjustments reflect the rescission of \$65 million in prior year unobligated balances.

d/ 2025 Carryover includes \$250 thousand in recaptured funds.

PROGRAM PURPOSE

The Office of Lead Hazard Control and Healthy Homes (OLHCHH) is primarily responsible for HUD's lead-based paint and healthy homes activities, including the administration of the Lead Hazard Reduction program authorized by Title X of the Housing and Community Development Act of 1992. The OLHCHH's mission is to provide safe and healthy homes for families and children at-risk of lead exposure and other housing-related health hazards. OLHCHH funds grants to States, Tribes, local governments, and non-profit organizations that reduce lead-based paint hazards and other housing-related health and safety hazards in homes of low-income families, and funds technical studies to develop and evaluate cost-effective methods to protect children and their families from health and safety hazards in the home. OLHCHH also enforces HUD's lead-based paint regulations and provides outreach and technical assistance.

BUDGET OVERVIEW

The 2026 President's Budget does not request new budget authority for the Lead Hazard Reduction program, eliminating spending of \$295.6 million compared to the 2025 Enacted level. HUD would use its estimated \$273.2 million in unobligated balances for grants in 2026.

JUSTIFICATION

Funding Impact

Using funding available in 2026 from carryover, HUD would make approximately 23,600 homes of low-income families healthy and safe. OLHCHH's grants executed using the carryover funds would benefit over 39,600 children by reducing elevated blood lead levels, asthma prevalence, and the likelihood of other illnesses and injuries. In the long term, lead remediation can mitigate the social costs of lifelong medical expenses, increased criminal activity, and lost productivity that would otherwise occur due to childhood lead poisoning. The Aging in Place Modification Program, executing grants using the carryover funds, would improve the quality of life for over 8,800 low-income seniors by helping them stay in their homes as they age.

Outcomes, Performance Indicators, and Other Evidence

The major performance indicator of accomplishments is the number of housing units of low-income families made lead-safe and/or healthy under its grant programs. For each OLHCHH grant program, the following table shows the estimated cost per unit treated and the estimated number of units to be treated under grants executed in 2026 using carryover funds:

Grant Program	Estimated Cost per Housing Unit Treated	Estimated # of Treated Homes with Carryover Funding Available in 2026
Lead Hazard Reduction	\$14,000	6,300
Lead Hazard Reduction Demonstration	\$14,000	6,100
Healthy Homes Supplements to LHR and LHRD	\$4,000	10,700
Healthy Homes Production	\$4,600	2,200
Healthy Homes and Weatherization Cooperation Demonstration	\$5,100	1,000
Aging in Place Modification	\$5,000	6,400
[Urban and suburban communities; est. max. # units]	\$5,000	[4,200]
[Substantially rural communities; est. min. # units]	\$5,000	[2,200]
Radon Testing and Mitigation Resident Safety	\$3,200	600

Note: Both the cost and number are estimates rounded to hundreds; due to rounding, some products may not correspond precisely with estimated funding levels.

HUD measures program success by meeting or exceeding the production targets of treated homes, which are homes that are made lead-safe and healthy through the grant programs. Grantees report the number of treated homes to the OLHCHH in quarterly reports (plus ad hoc reporting) through the Office's web-based Healthy Homes Grant Management System (HHGMS).

Past and current research under the OLHCHH's Technical Studies programs and other research have demonstrated the effectiveness of the Office's approaches for identifying and addressing housing-related hazards. These standards have been used by HUD and the Environmental Protection Agency (EPA) in developing and evaluating their lead safety policies and programs, by HUD in developing and revising its lead safety guidelines and its lead and healthy homes grant program guidance documents, and by trainers of lead and healthy homes professionals and contractors in their training materials. Technical Studies grants, cooperative agreements, and contracts would be used to continue HUD's significant progress in reducing or eliminating lead paint and other health hazards in homes in 2026.

Key Assumptions

For the Lead Hazard Reduction and Lead Hazard Reduction Demonstration grant programs, the projected production of lead-safe housing units assumes an average per-unit cost of \$14,000 in 2026, \$2,000 more than in 2024. This reflects anticipated increased costs associated with the more stringent end-of-project cleaning and clearance testing required by the amended EPA dust-lead rule published in November 2024. The rule is expected to be effective in 11 States in January 2026 and the rest of the Nation in January 2027.

Administration Priorities

OLHCHH's use of carryover funds for its programs in 2026 would advance health benefits for children and their families, consistent with the goals of the President's Make America Healthy Again (MAHA) Commission created by Executive Order (EO) 14212 of February 13, 2025. The Commission's purpose "includes fresh thinking on... environmental impacts." The work to eliminate lead paint and other health hazards in homes helps meet the President's goal of improving the health of American children. HUD seeks to address environmental factors such as lead, mold, and pests. Lead hinders children's nervous system development, while mold and pests contribute to chronic diseases such as asthma. HUD recognizes the need to address specific health concerns by leveraging proven hazard mitigation and abatement strategies and focusing on primary prevention.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Adjustments	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	2025 Total Resources	2026 President's Budget
Lead Hazard Reduction Grant Program	95,000	358,774	(65,000)	388,774	46,560	95,000	178,639	273,639	-
Lead Hazard Reduction Demonstration Program	105,000	159,728	-	264,728	313,280	105,000	105,000	210,000	-
Lead Hazard Reduction Capacity Building	-	31,535		31,535	31,535	-	-	-	-
Technical Studies and Assistance	3,000	9,900	-	12,900	6,726	3,000	6,424	9,424	-
Healthy Homes	110,000	64,316	-	174,316	118,836	110,000	79,348	189,348	-
Healthy Homes - DOE Weatherization Assistance Program (WAP) [Non-Add]	5,000	5,000	-	10,000	2,000	5,000	5,206	10,206	-
Aging in Place Modification Grants	30,000	30,520	-	60,520	10,000	30,000	30,000	60,000	-
Radon Testing and Mitigation Resident Safety Demonstration	2,000	5,046	-	7,046	4,187	2,000	2,859	4,859	-
Unobligated Prior Year Balances Made Available	(49,400)	49,400	-	-	-	(49,400)	-	(49,400)	-
Total	295,600	709,219	(65,000)	939,819	531,124	295,600	402,270	697,870	-

a/ The 2023 Carryover into 2024 column includes \$4 million in recaptures in the Lead Hazard Reduction Demonstration Program and \$1.5 million in recaptures in Healthy Homes.

b/ The 2024 Budget Authority column includes the use of \$49.4 million in unobligated prior year balances made available by the Consolidated Appropriations Act, 2024 (P.L. 118-42).

c/ The Consolidated Appropriations Act, 2024 (P.L. 118-42) also permanently rescinded \$65 million in prior year balances.

d/ The 2025 Budget Authority column includes the use of \$49.4 million in unobligated prior year balances made available by the Full-Year Continuing Appropriations and Extensions Act, 2025 (P.L. 119-4).

e/ The 2024 Carryover into 2025 column includes \$250 thousand in recaptured funds in the Technical Studies and Assistance program.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Executive Offices

SALARIES AND EXPENSES

(Dollars in Thousands)

	2024*	2025			2026		
	Actuals	Carryover	Enacted	Total	Carryover	Request	Total
Personnel Services	\$15,943	\$3,369	\$13,936	\$17,305	\$3,908	\$15,046	\$18,954
Non-Personnel Services							
Travel	579	603	-	603	600	-	600
Transportation of Things	4	-	-	-	-	-	-
Rent and Utilities	-	5	-	5	5	-	5
Printing	5	5	-	5	5	-	5
Other services/Contracts	831	105	-	105	105	-	105
Training	100	28	-	28	28	-	28
Supplies	27	57	-	57	57	-	57
Furniture and Equipment	-	-	-	-	-	-	-
Claims and Indemnities	-	-	-	-	-	-	-
Total, Non-Personnel Services	\$1,546	\$803	-	\$803	\$800	-	\$800
Working Capital Fund	987	-	756	756	-	-	-
Carryover	4,172	-	4,708	4,708	-	2,454	2,454
Grand Total	\$22,648	\$4,172	\$19,400	\$23,572	\$4,708	\$17,500	\$22,208
FTEs	76	15	66	81	17	71	88
Onboard End of Year	86	-	-	82	-	-	90

* Includes 2023 carryover

PROGRAM PURPOSE

The Executive Offices (EO) provide the overall direction and leadership for the Department. These offices are responsible for the overall development, implementation and management of the Department's priorities, which includes accomplishing the Department's efficiency goals, streamlining HUD's workforce and mission delivery, leveraging automation, increasing accountability, and promoting economic opportunity and self-sufficiency for HUD-assisted residents.

BUDGET OVERVIEW

The 2026 President's Budget requests \$17.5 million for the Executive Offices, which is \$1.9 million less than the 2025 enacted level. The Budget reflects total funding (carryover and new authority) of \$22.2 million, which is \$1.4 million below 2025 total funding.

Personnel Services (PS)

The Budget assumes total funding of \$19 million for PS to support 88 full-time equivalents (FTEs), which is \$1.6 million above the total 2025 PS funding level. Increases in FTEs above the 2025 level are primarily attributable to backfilling mission critical positions in the latter part of 2025. During a

transition year, the EO loses roughly 30 percent of their political appointee staff which are then backfilled over the first several months of the incoming Administration.

Non-Personnel Services (NPS)

The Budget assumes total funding of \$800 thousand for NPS, which is \$3 thousand below the total 2025 NPS level. This Budget reflects HUD's commitment to minimizing costs to the taxpayer by ensuring only mission critical non-personnel expenditures are supported.

Working Capital Fund (WCF)

The Budget assumes \$756 thousand for WCF expenses. Please see the WCF Congressional Justification for details on the current WCF business lines.

KEY OPERATIONAL INITIATIVES

- Provide program and policy guidance, and operations management and oversight in administering all programs, functions, and authorities of the Department
- Serve as the nerve center for all HUD activities and steer the Department's mission to create quality affordable homes for all and promote self-sufficiency
- Sustain a strong Executive Secretariat program for the Department that works in partnership with other offices, primarily Congressional and Intergovernmental Relations (CIR), Office of Public Affairs (OPA), and Office of General Counsel (OGC) to ensure consistency in messaging across all platforms are representative of the voice and views of the Secretary and the Administration in line with the Department's mission
- Manage the Agency's Directives Program to ensure all policies, handbooks, and other guidance documents are current and cleared in accordance with HUD standards as outlined in the internal guidance
- Serve as the single point of contact to coordinate HUD's critical role in the Federal Government's preparedness, response, mitigation, and recovery from disasters that impact communities
- Coordinate congressional and intergovernmental relations activities involving program offices to ensure the effective and accurate presentation of the Department's views
- Coordinate the presentation of the Department's legislative matters to the Congress, and ensure that all testimony and responses to congressional inquiries are consistent with the Secretary's and the Administration's views
- Build partnerships with faith-based and nonprofit organizations through grant-writing training, sustained outreach, convening events, information exchange, and capacity building programs. The Center for Faith (formerly the Center for Faith-Based and Community Initiatives) received a new name and renewed focus as provided by Executive Order 14205—Establishment of the White House Faith Office

Operational Improvements

The EO is fully committed to implementing the President's efficiency objectives. In 2025, workforce optimization efforts have presented the Department with an opportunity to realign its workforce and prioritize its human capital objectives. The Budget is in alignment with the Department's goals and includes investments only in the areas that have been determined to be essential for meeting HUD's statutory purposes.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office Descriptions

Office of the Secretary

The Office of the Secretary (OSEC) provides program and policy guidance and operations management and oversight in administering all programs, functions and authorities of the Department. OSEC sets and enforces Federal housing policy objectives, implements the President's Housing agenda, and engages key stakeholders concerning affordable housing, self-sufficiency, and economic opportunity.

Office of the Deputy Secretary

The Office of the Deputy Secretary (DEPSEC) helps the Department achieve its mission by providing management and support to program offices across the Department, including a focus on those working with human capital, financial management, procurement, and information technology. In addition, the DEPSEC leads disaster coordination and management through the Office of Disaster Management which serves as the single point of contact to coordinate HUD's critical role in the Federal Government's preparedness, response, mitigation, and recovery from disasters that impact communities.

Office of Congressional and Intergovernmental Relations

The mission of the Office of Congressional and Intergovernmental Relations (CIR) is to proactively collaborate and engage with the United States Congress to improve the lives and outcomes of Americans and their families by advancing legislation and maintaining responsive and effective communications with the Congress, State, and local government officials. CIR is the Department's focal point for all interactions and engagements with Members of Congress, authorization committees, personal office staff, and State and local elected officials.

Office of Public Affairs

The Office of Public Affairs (OPA) strives to educate and keep the American people informed about the Department's mission. Using communications tools such as press releases, press conferences, the internet, media interviews, social media, and community outreach, OPA provides Americans with information about housing policies and programs that are important to them.

Office of the Adjudicatory Services

The Office of Adjudicatory Services (OAS) is an independent judicial office within the EO. The Office is headed by a Chief Administrative Law Judge, appointed by the Secretary, who supervises judges and administrative support staff. The OAS Administrative Judges (AJ) and Administrative Law Judges (ALJ) conduct hearings and make determinations regarding formal complaints or adverse actions initiated by HUD, based upon alleged violations of Federal statutes and implementing regulations, and make fair and impartial decisions based upon laws and facts established by evidence.

Office of Small and Disadvantaged Business Utilization

The Office of Small and Disadvantaged Business Utilization (OSDBU) plays a vital role in advancing the Department's mission by ensuring small businesses have the opportunity to compete for and succeed in Federal contracting opportunities.

Center for Faith

The Center for Faith serves as the Departments liaison between faith-based and community organizations, HUD program offices and the White House Faith Office. This office assists in developing and coordinating HUD and the Administration's policy agenda affecting faith-based and other community programs and initiatives and optimizes the role of such efforts in communities.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Administrative Support Offices Overview

SALARIES AND EXPENSES

(Dollars in Thousands)

	2024*	2025			2026		
	Actuals	Carry Over	Enacted	Total	Carry Over	President's Budget	Total
Personnel Services:							
Personnel Services	399,505	28,814	397,942	426,756	17,557	300,634	318,191
Common Distributable	8,181	-	11,727	11,727	-	11,727	11,727
Total, Personnel Services	\$407,686	28,814	409,669	438,483	\$17,557	312,361	\$329,918
Non-Personnel Services:							
Travel	5,776	291	4,368	4,659	299	2,922	3,221
Transportation of Things	-	-	50	50	-	50	50
Rent and Utilities	118,239	1	113,716	113,717	1	113,716	113,717
Printing	1,318	-	1,067	1,067	-	1,120	1,120
Other services/Contracts	134,621	10,804	107,983	118,787	8,797	115,444	124,241
Training	5,112	17	2,059	2,076	40	2,475	2,515
Supplies	1,075	21	843	864	22	966	988
Furniture and Equipment	7,554	-	8,057	8,057	216	9,442	9,658
Claims and Indemnities	1,298	204	415	619	180	345	525
Total, Non-Personnel Services	\$274,993	\$11,338	\$238,558	\$249,896	\$9,555	246,480	\$256,035
Working Capital Fund	19,171	384	7,798	8,182	3,263	16,266	19,529
Carryover	40,536	-	30,375	30,375	-	5,693	5,693
Grand Total	\$742,386	\$40,536	\$686,400	\$726,936	\$30,375	580,800	\$611,175
FTEs	2,023	141	1,941	2,082	82	1,406	1,488
Onboard End of Year	2,104	-	-	1,493	-	-	1,474

* Includes 2023 carryover.

** The Budget Object Class data provided here is for informational purposes only.

PROGRAM PURPOSE

The Administrative Support Offices (ASO) provides Departmental operational management through Agency-wide governance, accountability, and delivery of enterprise services. The ASO's directly support HUD's program offices in their mission delivery responsibilities which enables the Department to foster strong communities, support affordable homeownership opportunities, and promote economic development and self-sufficiency for all Americans.

The 2026 Budget provides the necessary resources for the Department's operational components to continue to provide Agency-wide leadership in the following critical areas:

- support financial integrity, fiscal responsibility, accountability, stewardship of public resources;
- issue legal opinions and advice with respect to all programs and Departmental activities;
- management and operation of buildings nationwide;
- provide field support services, national security, emergency management and protective functions;

- formulate and implement strategic human capital policies;
- interpret acquisitions policy and implementation;
- support locally driven strategies and partner with community stakeholders in the field;
- ensuring a fair and efficient workplace free of discrimination and harassment; and
- facilitating a modern information technology posture that is secure, accessible and cost effective.

The 2026 Budget proposes a streamlined funding structure for the Administrative Support Offices that consolidates these components into a single funding line. This proposal enables the Department to align resources within the operating subcomponents in a strategic manner to ensure taxpayers are receiving the highest return on investment for these resources. The offices funded within this account structure include:

- Office of the Chief Financial Officer
- Office of the General Counsel
- Office of Administration (which includes the Office of the Chief Administrative Officer, Office of the Chief Human Capital Officer, and Office of the Chief Procurement Officer)
- Office of Field Policy and Management
- Office of Departmental Equal Employment Opportunity
- Office of the Chief Information Officer

In support of Executive Order 14210, *Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative*, the Department is undertaking a workforce optimization effort to implement the Agency Reduction in Force (RIF) and Reorganization Plan (ARRP). The ARRP effort will enable the Department to more efficiently deliver results for the American people and prioritize resources to support the most productive and necessary programs with the most benefit and impact.

The 2026 Budget reflects HUD's projected staffing needs based on the efficiency efforts that have occurred in the first 100 days of this Administration. As HUD continues to refine the future-state needs of the Department, HUD expects to finalize an operating structure that consolidates areas of Agency duplication and management layers that are unnecessary, prioritize essential positions, implement technological solutions that automate routine tasks while enabling staff to focus on higher-value activities, prioritize field structure consistent with efficient service delivery, and reduce the use of outside consultants and contractors.

BUDGET OVERVIEW

The 2026 Budget requests \$580.8 million for the Administrative Support Offices, which is \$105.6 million less than the 2025 Enacted level. The Budget reflects total funding (carryover and new authority) of \$611.2 million, \$115.8 million below 2025 total funding.

The requested funding levels for the Administrative Support Offices reflect a careful review of requirements, prioritization of essential personnel and non-personnel needs, and a right-sizing of HUD's workforce in alignment with HUD's fundamental mission.

Personnel Services (PS)

The Budget assumes total funding of \$318.2 million for PS to support 1,488 full-time equivalents (FTEs), which is a reduction of 594 FTEs and \$108.6 million below the total 2025 PS funding level.

As part of the ARRP effort, HUD has implemented two iterations of the Deferred Resignation Program (DRP) which enabled the Department to dramatically optimize the workforce through

voluntary separations. As the Department refines the ARRP plan, HUD anticipates additional transformation efforts aimed at further streamlining operations, realigning human capital needs based on the new organizational structure, eliminating duplicative functions, and enhancing accountability through improved standards for performance, efficiency, and stewardship of taxpayer funds.

Consistent with the actions taken in the first months of this Administration, the Budget is built upon the staffing efficiencies that have been realized in 2025 which includes an estimated end-of-year staffing headcount reduction of 611 staff from the 2024 end-of-year headcount level. Additional staffing optimization is expected to occur through 2026 and will be aligned with the ARRP plan. For 2026, the Budget assumes an additional headcount reduction of approximately 19 staff from the 2025 end-of-year level. The additional reduction is based on anticipated attrition and results in an estimated 1,488 FTEs supported by this 2026 request.

Common Distributable (CD)

The Budget assumes total funding of \$11.7 million for CD, which is equal to the 2025 CD total funding level. This funding provides Workers' Compensation, Unemployment Compensation, Professional Liability Insurance reimbursements, the Department-wide Transit Subsidy Benefits Program, and Flexible Spending Account administrative fees.

While CD funding is equal to 2025 levels, HUD anticipates reductions in these requirements as the workforce optimization efforts take effect and these requirements are aligned with the future staffing footprint of the Department. Any shifts in requirements for CD in 2025 and 2026 will be prioritized to support the ARRP efforts including any additional requirements associated with reducing the Federal real estate portfolio, which is discussed further below.

Non-Personnel Services (NPS)

The Budget assumes total funding of \$256 million for NPS, which is \$6 million above the total 2025 NPS level. The Budget supports essential contract services related to Agency financial reporting, audit compliance and remediation, data analytics, and improved financial operations. The Budget also supports funding for rent, utilities, facilities and administrative field support, essential training, and mission critical travel.

Upon arriving at the Department, Secretary Turner immediately established a thorough review of the Department's programs and operations. This Budget is in alignment with the Secretary's commitment to take an inventory of all spending and to ensure that taxpayer funds are allocated in the most effective and efficient manner. As a result of these efforts and savings, NPS spending is projected to be reduced in 2025 by 9 percent from the 2024 level. In 2026, the Budget reflects a decrease in travel and makes additional investments in essential training, supplies, and equipment. However, the overall 2026 NPS level is projected to remain below the 2024 NPS level, which demonstrates HUD's commitment to a leaner, more efficient operational posture.

Beginning in 2025, the Department initiated planning efforts to implement two Government-wide initiatives that impact the Weaver Building Headquarters and the Department's procurement operations.

- As announced in April 2025, HUD and the U.S. General Services Administration (GSA) indicated that the HUD headquarters was identified for accelerated disposition in order to engage the market and explore HUD's relocation options. This will allow the GSA to more effectively right-size the Federal real estate portfolio to reduce the burden on the American taxpayer while also delivering space that enables HUD to achieve its mission. There are still many details to work through and it is anticipated that this will be a multi-year effort.

- GSA is also taking the lead in consolidating procurement of common goods and services across the Government to ensure these functions are carried out in the most efficient and effective manner possible for the American taxpayer. While this will lead to an increase in payments to GSA, which is captured within the “Other services/Contracts” budget object class, the increase will be offset by reduced staffing needs in the long run, delivering a net benefit to the American taxpayer.

Working Capital Fund (WCF)

The Budget assumes \$19.5 million for WCF expenses. Please see the WCF Congressional Justification for details on the current WCF business lines.

KEY OPERATIONAL INITIATIVES

The 2026 Budget provides the resources required for the ASO’s to fully support HUD’s statutory responsibilities in the most cost-effective manner possible. Specifically, it supports:

- HUD operational resources to facilitate the deployment of the new State Rental Assistance Program which replaces the five current programs;
- Consolidating homeless assistance within a more targeted Emergency Solutions Grant Proposal; and
- Eliminating several programs that were either duplicative of other programs or not statutorily required.

Further, in order to achieve savings for taxpayers and support a more efficient delivery of statutorily required functions, HUD will:

- Optimize and restructure its workforce consistent with the ARRP plan;
- Reduce its reliance on outside consultants and contractors, and leverage technology; and
- Reduce its Federal real estate footprint and maximize Agency workplace utilization.

APPROPRIATIONS LANGUAGE

The 2026 President’s Budget includes the appropriations language listed below.

For necessary salaries and expenses for Administrative Support Offices, \$580,800,000, to remain available until September 30, 2027: Provided, That funds made available under this heading may be used for necessary administrative and non-administrative expenses of the Department, not otherwise provided for, including purchase of uniforms, or allowances therefor, as authorized by sections 5901 and 5902 of title 5, United States Code; hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code: Provided further, That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that directly support program activities funded in this title.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Program Offices Salaries and Expenses Overview

SALARIES AND EXPENSES

(Dollars in Thousands)

	2024*	2025			2026		
	Actuals	Carry Over	Enacted	Total	Carry Over	President's Budget	Total
Personnel Services:	\$1,053,712	\$45,045	\$1,030,879	\$1,075,923	\$8,563	\$795,561	\$804,124
Non-Personnel Services:							
Travel	9,212	235	5,845	6,080	221	6,135	6,356
Transportation of Things	53	-	19	19	-	20	20
Rent and Utilities	-	-	-	-	-	-	-
Printing	170	-	204	204	-	215	215
Other services/Contracts	20,191	667	12,948	13,615	179	13,598	13,777
Training	2,581	-	885	885	-	931	931
Supplies	276	-	128	128	-	134	134
Furniture and Equipment	27	-	8	8	-	8	8
Claims and Indemnities	73	-	1,045	1,045	-	1,097	1,097
Total, Non-Personnel Services	\$32,583	\$902	\$21,082	\$21,984	\$400	\$22,138	\$22,538
Working Capital Fund	46,215	5,198	29,449	34,647	6,791	40,889	47,680
Carryover	51,144	-	15,754	15,754	-	12,112	12,112
Grand Total	\$1,183,654	\$51,144	\$1,097,164	\$1,148,308	\$15,754	\$870,700	\$886,454
FTEs	5,855	236	5,423	5,659	41	4,020	4,061
Onboard End of Year	5,849			4,099			4,018

* Includes 2023 carryover.

** The Budget Object Class data provided here is for informational purposes only

PROGRAM PURPOSE

The Program Offices Salaries and Expenses components are directly responsible for executing the Department's programmatic funding. The 2026 Budget provides a framework for implementing a paradigm shift in how HUD accomplishes its fundamental mission. These reforms prioritize taxpayer resources for the highest performing programs with the greatest potential to advance and promote self-sufficiency.

The 2026 Budget aligns with these reforms and acknowledges the significant workforce efficiency efforts that are necessary to transform delivery of the Department's largest programs. Specifically, the 2026 Budget provides for an optimized workforce within HUD's Program Offices that establishes a foundation for the new State Rental Assistance Program in which State governments have a greater role in designing their own rental assistance programs based on their unique needs and preferences. This shift away from a federally focused lens empowers States by streamlining the overly burdensome and inefficient Federal rental assistance programs into a State-based formula grant.

Additional reforms include elimination of block grant programs that are not well-targeted and/or have a history of being used for projects that do not serve or benefit our most vulnerable citizens. Instead of allocating scarce resources to these and other inadequately targeted programs, the 2026 Budget refocuses funding to deliver on the President's pledge to eliminate street homelessness by

quickly connecting homeless individuals to shelter, recognizing that State and local governments are better positioned to coordinate homeless assistance.

Through these significant transformations in the Department's core rental assistance and block grant funding programs, HUD anticipates significant administrative overhead savings. As HUD's program delivery is made more efficient and more appropriately targeted for maximum benefit, the Department's Program Office workforce footprint will also shift to ensure personnel and non-personnel expenditures are efficiently utilized in support of this new framework.

The 2026 Budget enables the Department to maximize its resources for program administration and oversight, thereby placing HUD on a more sustainable path to foster strong communities by supporting access to quality, affordable housing, expanding the housing supply, and unlocking homeownership opportunities for the American people. The Department is committed to furthering the promise of self-sufficiency for every American while promoting economic development to revitalize rural, tribal, and urban communities across the country.

The 2026 Budget proposes a streamlined funding structure that establishes minimal funding levels for each component while maintaining the flexibility to shift and align resources in a strategic manner to ensure taxpayers are receiving the highest return on investment for these resources. The offices funded within this account structure include:

- Office of Public and Indian Housing
- Office of Community Planning and Development
- Office of Housing
- Office of Policy Development and Research
- Office of Fair Housing and Equal Opportunity
- Office of Lead Hazard Control and Healthy Homes

In support of EO 14210, *Implementing the President's "Department of Government Efficiency" Workforce Optimization Initiative*, the Department is undertaking a workforce optimization effort to implement the Agency Reduction in Force (RIF) and Reorganization Plan (ARRP). The ARRP effort will enable the Department to more efficiently deliver results for the American people, prioritize resources to support the most productive and necessary programs with the most benefit and impact.

The 2026 Budget reflects HUD's projected staffing needs based on the efficiency efforts that have occurred in the first 100 days of this Administration. As HUD continues to refine the future-state needs of the Department, HUD expects to finalize an operating structure that consolidates areas of Agency duplication and management layers that are unnecessary, prioritize essential positions, implement technological solutions that automate routine tasks while enabling staff to focus on higher-value activities; prioritize field structure consistent with efficient service delivery; and reduce the use of outside consultants and contractors.

BUDGET OVERVIEW

The 2026 Budget requests \$870.7 million for the Program Offices Salaries and Expenses, which is \$226.5 million less than the 2025 Enacted level. The Budget reflects total funding (carryover and new authority) of \$886.5 million, which is \$261.9 million below 2025 total funding.

In 2025, the Administration initiated efficiency reviews across the federal enterprise and the resources provided in this Budget solidify the savings realized in 2025 and seeks to prioritize the Program Offices operational resources to meet HUD's new streamlined program delivery model.

Personnel Services (PS)

The Budget assumes total funding of \$804.1 million for PS to support 4,061 full-time equivalents (FTEs), which is a reduction of 1,598 FTEs and \$271.8 million below the total 2025 PS funding level.

As part of the ARRP effort, HUD has implemented two iterations of the Deferred Resignation Program (DRP) which enabled the Department to dramatically optimize the workforce through voluntary separations. As the Department refines the ARRP plan, HUD anticipates additional transformation efforts aimed at further streamlining operations, realigning human capital needs based on the new organizational structure, eliminating duplicative functions, and enhancing accountability through improved standards for performance, efficiency, and stewardship of taxpayer funds.

Consistent with the actions taken in the first months of this Administration, the Budget is built upon the staffing efficiencies that have been realized in 2025 which includes an estimated end of year staffing headcount reduction of 1,750 staff from the 2024 end-of-year headcount level. Additional staffing optimization is expected to occur through 2026 and will be aligned with the ARRP plan. For 2026, the Budget assumes an additional headcount reduction of approximately 81 staff from the 2025 end-of-year level. The additional reduction is based on anticipated attrition and results in an estimated 4,061 FTEs supported by the 2026 Budget.

Non-Personnel Services (NPS)

The Budget assumes total funding of \$22.5 million for NPS, which is \$554 thousand above the total 2025 NPS level. The Budget supports essential requirements necessary to facilitate administration of HUD's 2026 streamlined rental assistance and block grant framework. To meet the vision of the 2026 Budget, HUD intends to leverage data analytics and automation throughout HUD's program delivery efforts which reduces reliance on contractors and federal FTEs. HUD also anticipates improved data and oversight capabilities resulting from the enterprise-wide grants transformation process that is expected to become operational in 2026.

Upon arriving at the Department, Secretary Turner immediately established a thorough review of the Department's programs and operations. This Budget is in alignment with the Secretary's commitment to take an inventory of all spending and to ensure that taxpayer funds are allocated in the most effective and efficient manner. As a result of these efforts and savings, NPS spending is projected to be reduced in 2025 by 33 percent from the 2024 level. In 2026, the Budget reflects a modest increase in travel, training, and contract services, as HUD resumes operational spending aligned with HUD's optimized workforce and refocused mission. However, the overall 2026 NPS levels are projected to remain below the 2024 NPS levels, which demonstrates HUD's commitment to a leaner more efficient operational posture.

Working Capital Fund (WCF)

The Budget assumes \$47.7 million for WCF expenses. Please see the WCF Congressional Justification for details on the current WCF business lines.

KEY OPERATIONAL INITIATIVES

The 2026 Budget provides the resources required for the Program Offices to fully support HUD's statutory responsibilities in the most cost-effective manner possible. Specifically, it supports:

- HUD operational resources to facilitate the deployment of the new State Rental Assistance Program which replaces the five current programs.

- Consolidating homeless assistance within a more targeted Emergency Solutions Grant Proposal.
- Eliminating several programs that were either duplicative of other programs, not statutorily required, or non-mission critical.

Further, in order to achieve savings for taxpayers and support a more efficient delivery of statutorily required functions, HUD will:

- Optimize and restructure its workforce consistent with the ARRP plan;
- Reduce its reliance on outside consultants and contractors, and leverage technology.

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For necessary salaries and expenses for Program Offices, \$870,700,000, to remain available until September 30, 2027: Provided, That of the sums appropriated under this heading—

(1) Not less than \$190,000,000 shall be available for the Office of Public and Indian Housing;

(2) Not less than \$100,000,000 shall be available for the Office of Community Planning and Development;

(3) Not less than \$315,000,000 shall be available for the Office of Housing;

(4) Not less than \$25,000,000 shall be available for the Office of Policy Development and Research;

(5) Not less than \$55,000,000 shall be available for the Office of Fair Housing and Equal Opportunity; and

(6) Not less than \$9,000,000 shall be available for the Office of Lead Hazard Control and Healthy Homes:

Provided further, That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that directly support program activities funded in this title.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Chief Financial Officer

Working Capital Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Adjustments	Total Resources	Obligations	Net Outlays
2024 Appropriation	69,677	22,060	-	91,737	71,585	67,012
2025 Appropriation	69,849	18,088	-	87,937	69,849	69,849
2026 President's Budget	69,965	18,088	-	88,053	69,965	69,965
Change from 2025	116	-	-	116	116	116

a/ Amounts in the Net Outlays column reflect gross outlays.

PROGRAM PURPOSE

HUD's Working Capital Fund (WCF) was established by H.R.2029 - Consolidated Appropriations Act, 2016 (Public Law No: 114-113), as authorized by the Department of Housing and Urban Development Act, 1965 [Public Law No: 89-174, 42 USC §3535(f)]. The purpose of HUD's WCF is to promote economy, efficiency, and accountability. The WCF finances department-wide shared services on a full cost recovery basis using a business-like buyer-seller approach. The WCF finances several Federal shared services, including financial management, procurement, travel, relocation, human resources, records management (including archiving), scanning and digitalization, and printing services.

BUDGET OVERVIEW

The 2026 President's Budget requests \$70 million for the WCF, which is equal to the 2025 Enacted level. The 2026 Budget provides funding in each HUD office Salaries and Expenses (S&E) account to pay for their estimated use of WCF services including inflationary adjustments and changes in service utilization.

WCF Objectives:

- Promote efficient and effective delivery of department-wide shared services.
- Incentivize HUD offices to use WCF services efficiently by aligning costs to usage.
- Reduce overlap and duplication of efforts by providing a joint platform for common administrative needs across HUD offices.
- Demonstrate transparency into the operation, management, and costs of shared services.

Federal shared services providers include the following:

- The Department of the Treasury’s Administrative Resource Center (ARC) provides financial management, procurement, travel services, and human resources end-to-end processing services (including staff acquisition, classification services, processing operations, and HR helpdesk). Additionally, Treasury’s Shared Services Programs (TSSP) provides human resources platform services.
- The National Finance Center (NFC) provides payroll processing services, including payroll policy support and tax reporting.
- The National Archive and Records Management (NARA) provides records management services, including the storage and service of HUD’s records at NARA’s Federal Records Centers.
- The Government Publishing Office (GPO) facilitates printing services for HUD, including the lease of multi-functional devices with print, copy, scan and fax functions and related support activities for HUD’s headquarters and field locations.
- Scanning and Digitalization services are provided through HUD’s Scanning Service Center.

Table 1 below provides the WCF funding resources by year and detailed cost estimates by Federal shared service.

TABLE 1

(Dollars in Thousands)

WORKING CAPITAL FUND		2024 Enacted	2025 Enacted	2026 President’s Budget	Changes (+/-)
Summary	Full-Time Equivalent (FTE)	18	14	14	-
	Personnel Services (PS)	3,317	2,397	2,517	121
	Non-Personnel Services (NPS)	66,360	67,452	67,448	(5)
	Total Enacted/Requested	69,677	69,849	69,965	116
	Carryover	22,060	18,088	18,088	-
	Total Resources	91,737	87,937	88,053	116
Shared Services Funding Detail	Financial Management, Procurement, & Travel Services	29,475	30,976	30,976	-
	Human Resources Processing	26,028	27,795	27,795	-
	Treasury Shared Services Programs	1,855	1,928	1,928	-
	Payroll Processing	1,908	1,305	1,305	-
	Records Management	4,350	3,367	3,557	190
	Printing Services	3,616	2,800	2,750	(50)
	Scanning and Digitalization	845	568	634	66
	Working Capital Fund Operations	1,600	1,110	1,020	(90)
	Total Shared Services and Operations	69,677	69,849	69,965	116

In addition, the 2026 Budget proposes streamlined appropriations language to align HUD’s operations more closely with the WCF’s authorizing statute, improving efficiency and cost-effectiveness.

JUSTIFICATION

HUD's WCF utilizes a buyer-seller model, aligning service providers' and customers' incentives while promoting transparency across offices and the Department. HUD offices bear service costs, allowing them to manage usage and optimize resources by refining business processes. This encourages cost-conscious behavior and expands the stakeholder base, driving continuous service improvement. Customers demand greater efficiency, while business line owners utilize data and feedback to negotiate enhanced service and cost savings.

The Working Capital Fund Division (WCFD) manages the Fund's financial operations and governance, ensuring full recovery of operational costs. It also manages daily financial activities, ensuring transparent unit cost accounting and customer reimbursement for their share of services.

The WCF aims to provide efficient service, cost transparency, economies of scale, and equitable cost distribution to customers, while exploring opportunities for cost reduction in current business lines.

From 2021 to 2024, the WCF saw a 48 percent increase from \$47 million to \$70 million, due to the addition of two new business lines to the WCF for Records Management and Printing, and also higher expenses in Financial Management (FM) and Human Resources (HR) services. The higher expenses were attributed to HUD's increased demand of FM and HR services including classification and staff acquisition, and staffing increases at Treasury's ARC to meet customer needs. However, for 2026, the Department will seek to obtain more favorable rates from its shared services providers to account for HUD staffing reductions and other factors. This may result in lower overall WCF funding in 2026 compared to amounts shown in Tables 1 and 2.

Table 2 below provides a breakout of the WCF funding resources for each office.

TABLE 2

(Dollars in Thousands)

HUD Offices	2025 Enacted	2026 President's Budget	Change (+/-)
Office of the Chief Administrative Officer	2,276	2,279	3
Community Planning and Development	7,654	7,665	12
Executive Offices	756	756	1
Fair Housing and Equal Opportunity	3,141	3,154	13
Government National Mortgage Association	1,996	1,998	2
Office of Lead Hazard Control and Healthy Homes	595	596	0
Housing	20,014	20,051	38
Office of the Chief Financial Officer	5,049	5,060	12
Office of the Chief Human Capital Officer	1,856	1,857	1
Office of the Chief Information Officer	2,369	2,373	3
Office of the Chief Procurement Officer	2,547	2,548	0
Office of Departmental Equal Employment Opportunity	265	265	0
Field Policy and Management	2,496	2,505	9
Office of General Counsel	2,637	2,642	5
Policy Development and Research	1,718	1,719	2
Public and Indian Housing	14,480	14,495	15
Total	69,849	69,965	116

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

Appropriations Language Changes

The 2026 President's Budget includes the following:

The 2026 Budget repropose streamlined WCF appropriations language. This language aligns more closely with the WCF's authorizing language by removing specific services included and/or proposed for inclusion. The current approach of adding new services into the list of allowable activities takes HUD further away from the authorized purpose of the WCF, which is to provide for the operations and maintenance of HUD activities that the Secretary finds in the interests of economy and efficiency.

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For the working capital fund (referred to in this paragraph as the "Fund"), established pursuant to section 7(f) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(f)), amounts transferred, including reimbursements, to the Fund under this heading shall be available, without fiscal year limitation, for any expenses necessary for the maintenance and operation of the Department that the Secretary finds to be desirable in the interest of economy and efficiency: Provided, That expenses of operation under such section 7(f) shall include operational reserves.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119-4).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Chief Information Officer

Information Technology Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Supplemental/ Rescission	Transfers	Total Resources	Obligations	Net Outlays
2024 Appropriation	383,050	160,737	-	16,265	560,052	489,626	339,944
2025 Appropriation	383,050	81,482	-	19,670	484,202	407,025	364,055
2026 President's Budget	365,000	77,177	-	1,980	444,157	388,304	344,925
Change from 2025	(18,050)	(4,305)	-	(17,690)	(40,045)	(18,721)	(19,130)

a/ Carryover column includes recaptures from prior years. Planned recaptures for 2025 \$7 million.

b/ 2024 transfers include \$10.3 million from the Technology Modernization Fund (TMF) for Identity Credential and Access Management (ICAM), \$2.5 million from S&E, \$3.5 million for the Chief Data Officer enterprise data analytics and risk management (eDARMS) project, and \$73 thousand for FCC.

c/ 2025 transfers include \$17.8 million from the Technology Modernization Fund (TMF) for Enterprise Identity Credential and Access Management (eICAM). The Budget Appendix reflects the \$8.91 million received and we expect to receive an additional \$8.91 million in Q3, FY2025. \$1.85 million in transfers is for Disaster Recovery Data Portal (DRDP).

d/ 2026 transfers include \$1.98 million from the Technology Modernization Fund (TMF) for Enterprise Identity Credential and Access Management (eICAM). HUD expects to receive the transfer Q1, FY2026.

PROGRAM PURPOSE

The Information Technology (IT) Fund provides for the infrastructure, systems, and services that support all HUD programs, which include all of HUD's mortgage insurance, rental subsidies, and grants. The IT fund provides secure IT applications, systems and capabilities that are used to carry out and support the programs and administrative operations and activities of the Department.

BUDGET OVERVIEW

The 2026 President's Budget requests \$365 million for the Information Technology Fund, which is \$18 million less than the 2025 Enacted level. The Budget provides \$365 million for Operations and Maintenance (O&M) to sustain and strengthen the foundation of HUD's IT portfolio. To maximize the use of all available resources, the 2026 IT Fund appropriations language provides the flexibility to use prior year unobligated balances, including recaptures, to support either O&M or DME activities consistent with this Administration's priorities. The goal of this flexibility is to prioritize IT resources for enterprise initiatives aimed at increasing efficiency, supporting HUD's new program delivery model, and improving customer service. The Budget supports the following key objectives:

- Ensures continuation of program-area IT systems, applications and capabilities, which play a critical role in enabling the mission and administrative functions of the agency.
- Maintains existing IT infrastructure, such as computer hardware, network and communications, support services, and enterprise software licenses.
- Continues to mature the 24x7 Enterprise Security Operations Center/Computer Incident Response capability, with focus on advanced threat intelligence and automation.

The IT Fund saves taxpayers \$18 million compared to 2025 enacted by advancing HUD's priorities to streamline business processes. These efforts advance the Administration's priorities for eliminating waste, fraud, and abuse while protecting the integrity of financial transactions and realizing efficiencies throughout Government services as outlined in: Executive Order (EO) 14271: Ensuring

Commercial, Cost-Effective Solutions in Federal Contracts; EO 14249: Protecting America’s Bank Account Against Fraud, Waste, and Abuse; EO 14247: Modernizing Payments To and From America’s Bank Account; EO 14243: Stopping Waste, Fraud, and Abuse by Eliminating Information Silos; EO 14158: Establishing and Implementing the President’s “Department of Government Efficiency”; OMB memoranda M-25-21 Accelerating Federal Use of AI through Innovation, Governance, and Public Trust; and M-25-22 Driving Efficient Acquisition of Artificial Intelligence in Government, among others.

JUSTIFICATION

HUD is pursuing strategic realignments throughout the Department to maximize the impact of operational resources to deliver on HUD’s mission. The Office of the Chief Information Officer (OCIO) will ensure IT investments are aligned to and support HUD’s new program structure which is a critical component to realizing the efficiencies and improvements mandated by the President’s agenda. The Budget also reflects HUD’s commitment to continuously improve the management of IT spending by leveraging commercial technologies and realigning the Department’s IT footprint.

The following table summarizes the 2026 IT Fund budget by O&M vs. DME.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Transfers	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Transfers	2025 Total Resources	2026 President's Budget
Information Technology Fund (Direct Appropriation)	383,050	160,737	16,265	560,052	489,626	383,050	81,482	19,670	484,202	365,000
Operations and Maintenance [Non-Add]	359,100	97,108	3,107	459,315	433,605	374,450	36,553	-	411,003	365,000
Development, Modernization and Enhancements [Non-Add]	23,950	63,629	13,158	100,737	56,021	8,600	44,929	19,670	73,199	-
Total	383,050	160,737	16,265	560,052	489,626	383,050	81,482	19,670	484,202	365,000

Operations and Maintenance (O&M)

The Budget includes \$365 million for infrastructure, services, and business applications that support HUD’s programs with the necessary security to protect the Agency’s data and information resources. The 2026 Budget resources are lower than the 2025 Budget in part due to significant cost savings achieved by streamlining and additional efficiencies related to HUD’s infrastructure support costs. OCIO anticipates executing the vast majority of the O&M carryover and recaptures in the first half of 2026.

The O&M funds provide and maintain capabilities for HUD programs and are used to maintain and improve existing IT infrastructure, such as computer hardware, network and communications, support services, enterprise software licenses, and cybersecurity.

In 2026, HUD will begin to decommission systems in accordance with its streamlining and efficiency efforts. As HUD realigns to its new program structure there is an expectation that the cost savings from sunseting systems will be realized starting in 2027. HUD also anticipates prioritizing additional systems for decommissioning that support grants and contact center programs in 2026. Decommissioning and consolidating systems will align HUD’s IT portfolio to match HUD’s programmatic priorities.

A 3-year breakout of O&M obligations by investment category follows, in Table 1.

Table 1: Operations & Maintenance (O&M) by Year**
(Dollars in Thousands)

Investment (O&M Portion Only)	2024 Actual O&M	2025 Enacted w/ Carryover O&M	2026 President's Budget O&M
Business Applications	101,203	99,044	99,808
<i>Major</i>	79,910	75,800	69,989
Enterprise Grants Management	9,080	9,004	10,259
Financial Management Support	11,934	8,673	12,301
Multifamily Housing and Healthcare Facilities	7,684	7,708	7,016
Public and Assisted Housing Oversight	16,040	18,207	11,493
Single Family Housing	31,206	32,208	28,920
Unisys Migration	3,966	0	0
<i>Non-Major</i>	21,293	23,244	29,819
Acquisition Management	0	0	513
Administrative Services	1,108	1,469	853
Communications Support	2,659	3,243	4,521
Contact Center	2,132	2,239	3,799
Data Management Services	4,037	3,987	3,924
Document Management	2,764	2,766	2,425
Geospatial Services	1,508	1,425	3,009
Human Resources Services	2,231	5,576	3,014
Legal Oversight	3,196	952	4,032
Regulatory Enforcement	1,658	1,587	3,729
Infrastructure and Enterprise Support	293,615	269,849	229,779
Application	4,734	5,440	4,935
Data Center and Cloud	137,360	137,283	102,746
End User	113,424	104,193	94,283
IT Management	439	2,137	347
Network	36,996	19,579	26,601
eGov	662	1,217	867
IT Security Services	35,528	42,110	35,413
Total Portfolio	430,346	411,003	365,000

* Individual investment descriptions are shown in Appendix A.

** 2024 amounts are actual obligations, and 2025 amounts are available Budget Authority including carryover.

Business Applications Support (\$99.8 million)

The Budget includes \$99.8 million to fund the business applications in Major and Non-Major investments. The Budget supports over 80 IT systems and services across HUD. It supports the ongoing use of artificial intelligence and automation to improve operations. Ongoing legacy systems and new capabilities deployed in 2024 and 2025 to meet the Agency's critical priorities require O&M support to maintain business continuity. HUD will continue activities begun in 2025 to align the portfolio of applications it maintains consistently with the objectives described in the programmatic sections of the Budget. This will identify efficiency and effectiveness opportunities for application decommissioning or consolidation. The funding will also allow HUD to eliminate more of its "technical debt" which continues to impact system performance, scalability, and resilience. This will provide opportunities for realizing efficiencies through economies of scale and adoption of cloud and commercial-based solutions in accordance with recent Executive Orders. Without the requested funds, HUD would be unable to take advantage of the planned infrastructure and security improvements and cannot address lingering issues such as upgrading from end-of-life and end-of-service hardware and software.

IT Infrastructure and Enterprise Support (\$229.8 million)

IT Infrastructure includes such items as data center, end-user hardware and support services, annual tech refresh, network and communications, and cloud operations and infrastructure. The Budget allows HUD to maintain operational readiness and support program office transitions to modernized technologies with minimal impact to mission operation. This also includes remediating infrastructure-related gaps within HUD's cybersecurity framework and overcoming operational risks due to dependency on contractor owned assets associated with multiple legacy contract vehicles. HUD will be continuing a critical infrastructure modernization initiative: the relocation of the current disaster recovery (DR) datacenter to a new GSA-managed location. This move aligns with HUD's long-term IT modernization strategy and provides improved resiliency, cost-efficiency, and high availability. This project will upgrade our existing disaster recovery configuration from a traditional "hot/cold" environment—where the recovery site remains passive until activated—to a modern "active/active" configuration, increasing performance and system availability for HUD programs and stakeholders nationwide. The Budget supports:

- Transitioning to consolidated services contracts for cloud services and enterprise software to sustain mission critical services, eliminate redundancies, and achieve efficiency.
- Modernizing HUD's approach to cloud services by deploying additional infrastructure and platform capabilities using commercial cloud providers.
- Maximizing the use of cloud services and leveraging low-code/no-code technologies to cost-effectively automate, enhance, and streamline internal business processes to carry out HUD's mission.
- Providing for modernization of equipment, services, and technology to continue to serve the American public.

IT Security Services (\$35.4 million)

The Budget would provide continued funding for HUD's risk-based cybersecurity program that is required for compliance with the Federal Information Security Modernization Act (FISMA). The Budget will enhance HUD's ability to continuously monitor users, devices, and applications both inside and outside of the network perimeter. Additionally, this would allow HUD to continue using tools and services to improve real-time monitoring, vulnerability management, and incident response capabilities, which will no longer be supported by the Department of Homeland Security in 2026.

Modern cyber attackers leverage the most advanced capabilities available and constantly evolve their tactics. To meet this threat, and prevent a security breach, HUD requires funding for a robust Cyber Security Operations capability. This funding would support ongoing 24/7 security monitoring and analysis. Additionally, many of the activities that support HUD's programs are performed by third parties such as Public Housing Authorities, lenders, property owners, or States that must interface with HUD's systems. When those third parties' systems are compromised, it also puts HUD's systems at risk. As HUD moves to collect additional data from recipients and sub-recipients, including directly from their systems, proactive security measures minimize the risk to our operations from threats.

Finally, HUD will continue to centralize and automate its information technology Governance, Risk, and Compliance (GRC) activities. This funding will help ensure that risk-based security controls are implemented and monitored on High Value Assets (HVA) designated under OMB M 19-03, and that legacy systems are prioritized for decommissioning or modernization when they cannot be secured. It supports activities that will improve cybersecurity in supply chains by continuing to streamline policies and procedures and conduct vendor risk assessments. It also supports security awareness training, role-based training, conducting phishing exercises, and incident response and contingency planning tabletop exercises. The funding for the GRC program's ongoing activities allows HUD to continuously align its cyber security activities to mission objectives and holistically reduce risk.

Department-wide Information Technology and Cybersecurity Investments

The 2026 Budget reflects \$422.1 million in discretionary budget authority for information technology spending at HUD. In addition to the \$365 million for the Information Technology Fund account, the 2026 discretionary total includes \$43 million in the Administrative Support Offices account and \$14.1 million in the Office of the Inspector General account. The Budget also estimates approximately \$251 million mandatory funding for the information technology activities of Ginnie Mae.

HUD's Department-wide discretionary budget for cybersecurity activities is \$40.3 million. That amount includes \$35.4 million in the Information Technology Fund account and \$4.9 million in the Office of the Inspector General account. The Budget also estimates approximately \$105.3 million in mandatory funding for Ginnie Mae's cybersecurity activities.

Table 2 provides a breakdown of the IT Fund's \$35.4 million in cybersecurity activities by National Institute of Standards and Technology (NIST) framework/capability.

Table 2: Cybersecurity Costs in the IT Fund Account
(Dollars in Millions)

NIST Framework/Capability	2026 President's Budget
Identify	17.9
Protect	11.1
Detect	6.4
Respond	0.0
Recover	0.0
M-22-16 2.5	0.0
Total	35.4

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For Department-wide and program-specific information technology systems and infrastructure, \$365,000,000, to remain available until September 30, 2028: Provided, That unobligated balances, including recaptures and carryover, remaining from amounts made available under this heading in this Act or prior Acts (including amounts previously transferred to this heading) may be used for any purpose under this heading in this Act, notwithstanding the purposes for which such funds were appropriated.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119-4).

APPENDIX

Investment Type Definition

- Major IT investments are those that are critical to the missions of the Agency, requiring special management attention and with executive visibility, or that meet certain dollar thresholds.
- Non-major investments do not meet the criteria of a Major or Standard investment and typically provide support to the offices that in turn provide program or administrative support to the mission of the Agency.
- Standard IT investment classifications are used by all Federal Agencies to account for their IT infrastructure costs, cybersecurity, and management costs. They are OCIO managed enterprise-wide investments that provide IT services to the Agency's mission delivery applications.
- E-Government (eGov) is a group of OMB-led initiatives to help transform Federal Agencies through eCommerce.

Investment	Investment Type	Definition
Enterprise Grants Management	Major	This investment provides Shared Services and information systems to automate the grants management lifecycle (pre-award, award, post award stages) for formula and competitive programs across HUD.
Financial Management Technology Support	Major	Provides support for HUD's financial management systems, including their interfaces with the core financial system that is a shared service provided by the Treasury.
Multifamily Housing and Healthcare Facilities	Major	This investment provides systems to support programs that provide mortgage insurance to multifamily housing and health care facilities and project based rental assistance. It includes services such as financial operations, asset management, and moving existing loan origination systems to modern technology platforms.
Public and Assisted Housing Oversight	Major	This investment provides systems that ensure public and HUD assisted housing comply with applicable laws and regulations. It provides accurate, credible, and reliable information to assess the condition and financial management of HUD supported properties and ultimately improve the Nation's stock of affordable housing. HUD is modernizing outdated systems and automating manual processes used in providing this essential mission function.
Single Family Housing	Major	This investment captures all the systems that support FHA's Single Family programs including mortgage insurance on loans to purchase new or existing homes, condominiums, manufactured housing, houses needing rehabilitation, and for reverse equity mortgages to elderly homeowners. HUD is carrying out a multi-year investment called FHA Catalyst that began in 2019 to modernize FHA's infrastructure and to provide cloud-based platforms to reduce costs, risks, and fraud, and bring FHA in line with current industry practices. The modernization approach is flexible with an agile approach and includes a single portal for lenders to interact with FHA for the full loan life cycle. Loan components are already in production, providing rapid turnaround and efficiencies to the agency and to the lender community.

INFORMATION TECHNOLOGY FUND

UNISYS Migration	Major	Unisys Migration modernized the code base and accelerated the migration of five of HUD's most critical business systems from an on-premises mainframe database to the cloud. Both the existing mainframe and the five COBOL-based applications were expensive to maintain and required functional system enhancements to be built in the antiquated mainframe environment, deepening the technical debt associated with the decommissioning of the platform.
Administrative Services	Non-Major	Enables HUD to control, manage and report on its facilities, property, and assets. Enables HUD to perform the back-office activities that support the execution of its mission-critical business operations.
Communications Support	Non-Major	This primarily comprises HUD websites as well as customer management tools. It enables HUD to exchange information with other government entities, citizens, stakeholders, and customers to deliver citizen services, implement public policy and serve customers more effectively.
Contact Center	Non-Major	This investment is improving interactions between HUD and its customers, starting with FHA activities. It results from a partnership with GSA Centers of Excellence to accelerate HUD's IT modernization initiatives.
Data Management Services	Non-Major	This includes data exchange, storage, extraction, and transformation, recovery, and classification of data. HUD is developing an Enterprise Analytics Platform to integrate sources of data to support business decisions, reporting, data analytics and risk mitigation.
Document Management	Non-Major	Enables HUD to support the generation, management, and distribution of intellectual capital and electronic media across the business and extended enterprise. This includes content management, document management, and records management.
Geospatial Services	Non-Major	Provides automated capabilities that support visualization services, analysis, knowledge discovery, and business intelligence for optimal decision-making and evaluation.
Human Resources Services	Non-Major	Includes information systems that perform a variety of HR business functions. The vision is to automate, integrate or replace legacy systems to move towards solutions of a one stop shop for all HR Services.
Legal Oversight	Non-Major	Enables HUD to maintain guidance to implement laws, developing and tracking, and amendments to public laws.
Regulatory Enforcement	Non-Major	Enables HUD to track, monitor, and report on enforcement activities which involves activities aimed at direct monitoring and oversight of HUD sponsored programs.
Application	Standard	IT investment for the provisioning of an enterprise-wide shared application capability.
Data Center and Cloud	Standard	An IT investment for the provisioning of an enterprise-wide data center and/or cloud capability.
End User	Standard	An IT investment for the provisioning of an enterprise-wide capability for assets and related support for such items as laptops, mobile devices, software licenses, and other end user assets.
IT Management	Standard	This investment ensures that all technology and associated employee resources are utilized properly and in a manner that provides value for the organization and are managed according to Departmental priorities and needs.

INFORMATION TECHNOLOGY FUND

IT Security Services	Standard	Enables HUD to properly orchestrate the IT resources and systems it requires to effectively provide its services and execute its mission.
Network	Standard	An IT investment for the provisioning of an enterprise-wide area network (WAN), local area network (LAN), and metropolitan-area network (MAN) capabilities.
Disaster Assistance Improvement Plan	eGov	This is a Government-wide eGov initiative. The managing partner is FEMA.
eRulemaking Docket	eGov	This is a Government-wide eGov initiative. The managing partner for this initiative is the Environmental Protection Agency.
GovBenefits.gov	eGov	This is a Government-wide eGov initiative. The managing partner for this initiative is the Department of Labor.
Grants.gov	eGov	This is a Government-wide eGov initiative. The managing partner for this initiative is the Department of Health and Human Services.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Inspector General

SALARIES AND EXPENSES

(Dollars in Thousands)

	2024	2025		2026
	Actuals	Enacted	Total	Request
Personnel Services:	112,346	113,834	113,834	107,412
Personnel Services	112,346	113,834	113,834	107,412
Common Distributable	-	-	-	-
Total, Personnel Services	112,346	113,834	113,834	107,412
Non-Personnel Services:				
Travel	1,881	1,135	1,135	1,069
Transportation of Things	-	5	5	5
Rent and Utilities	7,120	6,988	6,988	7,106
Printing	10	10	10	5
Other services/Contracts	24,814	21,865	21,865	19,820
Training	527	509	509	480
Supplies	408	333	333	314
Furniture and Equipment	5,251	7,995	7,995	6,539
Claims and Indemnities	71	250	250	250
Total, Non-Personnel Services	40,082	39,090	39,090	35,588
Grand Total	152,428	152,924	152,924	143,000
FTEs	500	498	498	460
Onboard End of Year	499	498	498	451

PROGRAM PURPOSE

The Office of Inspector General (OIG) for the U.S. Department of Housing and Urban Development (HUD or Department), is an independent office conducting and supervising audits, evaluations, investigations, and reviews related 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, waste, abuse, and mismanagement. As an organization, the OIG is committed to keeping the HUD Secretary, the Congress, and stakeholders fully and currently informed about problems and deficiencies within the Department and the necessity and progress for corrective action. Beyond ensuring proper stewardship of Federal funds, through timely and influential oversight, the OIG protects HUD's beneficiaries and ensures that HUD's critical programs are efficiently administered to the vulnerable communities and populations who need them most.

The work of the OIG is important to the Department's ability to achieve its strategic goals, as our oversight provides an independent perspective on how HUD's management challenges affect the Department. The OIG aligns our staff and work to efficiently deploy our resources to provide comprehensive oversight over HUD's major operations and address the issues and concerns most critical to the Department. In addition, the OIG ensures that we are model stewards of taxpayer resources by enhancing our own operational efficiency and effectiveness through innovative solutions and leveraging data, technology, and insights from our dedicated workforce.

BUDGET OVERVIEW

The 2026 President's Budget requests \$143 million for the Office of Inspector General, which is \$9.9 million less than the 2025 Enacted level.

The Budget seeks the resources necessary for the OIG to continue delivering the impactful investigations, audits, evaluations, and reviews that executive branch and congressional stakeholders require. The Budget would also provide necessary support for statutorily mandated oversight, notably audits of HUD's financial statements required by the Chief Financial Officers Act of 1990 and its compliance with the Payment Integrity Information Act of 2019 (PIIA), as well as evaluation of HUD's information security program under the Federal Information Security Management Act of 2014 (FISMA).

The Budget represents a 6.5 percent decrease from the 2025 Enacted level. Through data-driven scalable strategies focused on HUD's most significant operational challenges, the OIG will prioritize resources to support the tools and personnel necessary to produce actionable information that increases the efficiency and effectiveness of HUD programs, while rooting out waste, fraud, and abuse.

Inspector General Act Budget Requirements

In accordance with the requirements of the Inspector General Act of 1978 (IG Act), as amended, the OIG includes the following details:

- OIG's 2026 budget request is for \$143 million in support of an estimated 460 full-time equivalent (FTE) positions with an additional 5 FTEs (not reflected in table above) supported using supplemental funding for disaster oversight;
- Of the \$143 million, \$480 thousand would support external training costs, \$29 thousand below the 2025 full-year continuing resolution (CR); and
- Of the \$143 million, \$472 thousand would support the Council of the Inspectors General on Integrity and Efficiency (CIGIE), which is \$68 thousand below 2025 Enacted.

Personnel Services

The Budget assumes total funding of \$107.4 million for personnel services (PS) to support 460 full-time equivalent (FTE) positions, which is \$6.4 million below the total 2025 PS funding level. The 2026 PS funding level supports annualization of the 2025 pay raise and minimal benefit cost inflation.

The 2026 Budget maintains the minimal level of FTEs necessary to keep the scope and scale of the OIG's mission stable while maintaining capacity to evolve with changes to HUD programs. The 2026 FTE level would support post-Deferred Resignation Program (DRP) staffing levels for the OIG, and allow for continuation of impactful investigations, audits, evaluations, and reviews needed to protect and improve HUD's programs. The PS funding level would also provide necessary support for statutorily mandated oversight.

2026 Personnel Services Summary of Changes

(in dollars)

Scenario	2025 PS Obligations (including reimbursable)	2025 Annualization / 2026 COLA Inflation	2026 Benefit Cost Inflation	2026 FTE Change	Other PS Adjustments (works comp, PLI, etc.)	Reimbursable Adjustment	2026 Total PS Requirements
2026 Budget	113,834,126	357,763	618,800	(8,505,779)	773,250	333,634	107,411,795

FY 2025 Full-Year CR FTE	FY 2026 PB Request FTE
498	460

The decrease of \$6.4 million below the 2025 enacted funding level includes:

- \$8.5 million reduction in overall PS requirements due to reduced staffing levels caused by DRP, natural attrition, and expectation of limited hiring due to the executive orders on the hiring freeze.
- \$1.0 million in inflationary increases for compensation and benefits, including annualization of 2025 COLA (\$358 thousand), and 2026 benefit cost inflation (\$619 thousand).
- \$773 thousand increase in other PS requirements caused by increases to Worker's Compensation (\$356 thousand) and lump sum leave pay outs (\$556 thousand) to employees who, pursuant to DRP, will separate from Federal service predominantly in Q1 of FY 2026. Offsetting these cost increases are reductions in other personnel costs (-\$176 thousand) due to a smaller FTE base.

OIG FTE from Other Funding Sources

Appropriation Type	2024 FTE	2025 FTE	2026 FTE
All Disaster Supplemental Funding	7.1	6.5	5.0

With reduced staffing levels, the OIG is making operational adjustments to maintain a workforce with the necessary knowledge, skills, and abilities to continue delivering on the OIG's mission. To that end, the OIG is streamlining both mission and support components by reducing management layers, right sizing supervisor-to-staff ratios, and reassigning staff to focus on core mission functions. Also, the OIG continues to assess and measure employees' performance to ensure that our workforce is conducting timely and relevant oversight of HUD's programs and operations and delivering high-quality services to the American people. To support our performance assessments, the OIG is conducting a comprehensive overhaul of all business processes used to manage internal and external customer service requirements. In addition, the OIG is reviewing opportunities to implement new work management processes and integrate project management technologies to enhance productivity and accountability.

As the OIG operates under this enhanced organizational design, we will continue to utilize our resources in the most effective and efficient means possible, ensuring to produce a continued return on investment for the Administration and congressional stakeholders. Last fiscal year, OIG audits found \$85 million in funds that could be put to better use, almost \$1 million in questioned costs, and

saw \$26 million in collections. Similarly, our investigations resulted in over \$68 million in restitutions and judgments, with over \$7 million total recoveries and receivables ordered to HUD programs. Beyond monetary impact, our oversight has identified ways HUD and its partners can improve outcomes for HUD-assisted individuals and communities and has held bad actors accountable through impactful investigations that resulted in convictions, penalties, and exclusion from Federal programs.

Non-Personnel Services

The Budget assumes total funding of \$35.6 million for non-personnel services (NPS), which is \$3.5 million below the total 2025 NPS level. Total NPS requirements represent the funding level necessary to maintain current services.

2026 NPS Summary of Changes			
Non-Personnel Spending Category	Adjustments to Base	New Investment / New FTE (+)	Total Change
Travel	(66,016)	-	(66,016)
Transportation of Things	-	-	-
Rent and Utilities	118,519	-	118,519
Printing	(5,000)	-	(5,000)
Other Services/Contracts	(2,674,939)	630,000	(2,044,939)
Training	(29,619)	-	(29,619)
Supplies	(19,368)	-	(19,368)
Furniture and Equipment	(1,455,246)	-	(1,455,246)
Claims and Indemnities	-	-	-
Total	(4,131,669)	630,000	(3,501,669)

Other Services/Contracts: -\$2.0 million

Reduced requirements associated with the OIG's information technology (IT) infrastructure (-\$2.6 million) is the primary driver of decreasing requirements within the "Other Services/Contracts" spending category. The OIG's investment in increasing the capacity of OIG's Federal IT staff allows for a reduction in the usage of contract labor, which in turn allows the OIG to descope the primary business operations support contract. Offsetting this IT spending decrease is the cost of fully adopting and integrating the Department of Justice Security Operation Center as a Service (\$630 thousand), which provides access to around the clock network monitoring services and enhanced equipment necessary to adequately support the OIG's cybersecurity operations, through a government shared services partner.

The OIG has identified additional reductions to non-IT operational requirements representing efficiency gains from service contract elimination and scaling operating needs (-100 thousand). The HUD consolidated financial statement audit contract has an inflationary increase of \$154 thousand in 2026. All adjustments net to a \$2.0 million decrease in this spending category.

Furniture and Equipment: -\$1.5 million

Overall, the majority of reduced spending identified in this category is related to the one-time IT cyclical equipment purchases projected to occur in 2025 without any continuation into 2026. IT requirements in total account for a -\$1.8 million decrease in equipment spending. The primary

spending offsetting these decreases is related to space requirements. The OIG has four office locations subject to GSA soft lease termination. Because these offices are essential to OIG operations, the OIG projects that some will be removed from the termination list based on the OIG's collaborative interactions with GSA. With respect to any of the offices for which GSA completes the lease terminations, the OIG plans to reconstitute them in new spaces the GSA provides. To do so, the OIG will incur additional costs for furniture, moving services, and security infrastructure installation (\$315 thousand, which supports reestablishment of approximately two of four locations).

Travel: -\$66 thousand

The OIG projects reduced year-over-year travel requirements as well as historically low travel utilization based on lower staffing levels and reduced travel consistent with Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative.

Rent and Utilities: \$118 thousand

The OIG continues to seek efficiencies and to strategically align our real estate portfolio with oversight priorities while maintaining a geographic footprint that supports critical mission requirements. Increased requirements in this category are entirely related to GSA and non-GSA rent inflation (shared office space).

Training: -\$29 thousand

The OIG projects reduced year-over-year training requirements based on lower staffing levels and the elimination of some discretionary training efforts. The OIG is prioritizing training that furthers organizational skill sets in artificial intelligence and data literacy to better understand and utilize emerging technologies.

Supplies: -\$19 thousand

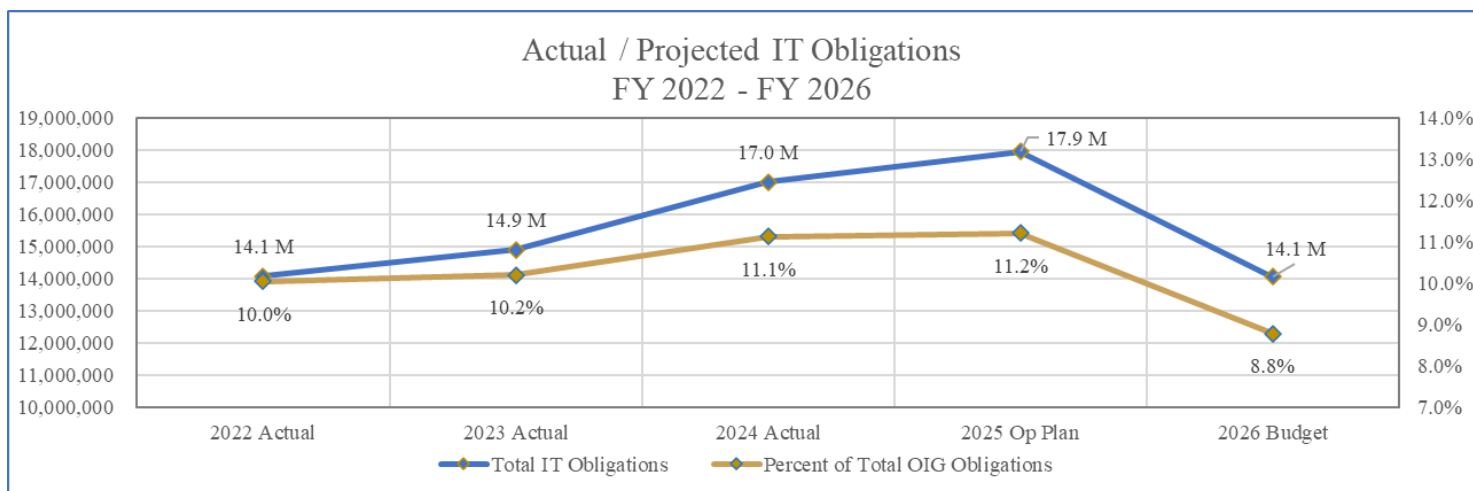
The OIG projects reduced year-over-year requirements related to supplies based on lower staffing levels.

Financial Statement Audits

The consolidated financial statement audit contract is a firm fixed price contract providing pricing stability and diminished operational risk to the government. Each contract option period includes standard inflationary increases and, for 2026, the overall requirement is increasing by \$154 thousand due to those inflation related cost provisions.

Information Technology

The OIG's 2026 budget supports all necessary adjustments to base associated with the OIG's current IT services and continued backing for mandated cyber security infrastructure. The total OIG IT requirements include the necessary costs of business operations services, cybersecurity related assets and services, Microsoft licensing costs, electronic audit and investigation case management systems, network connectivity requirements, cellular equipment and services, long-term backup data storage, along with other services and equipment that are part of normal operations and maintenance activities that are necessary for the OIG's statutorily required oversight.



The OIG continues to prioritize building a resilient, mission driven, and cost-efficient IT ecosystem that has the necessary strength and capacity to withstand assault from domestic and international cyber threats. The OIG has judiciously invested in cybersecurity infrastructure in recent years, establishing Zero Trust Network Architecture, packet capture technology, increased deployment of Department of Homeland Security constant data monitoring software, more secure and price efficient data center colocation facilities, and an array of smaller technologies that address cyber-readiness needs.

In addition, the OIG is reducing IT-related costs while simultaneously increasing the effectiveness and efficiency of our IT environment. Examples of this include partnering with quasi-governmental entities that support wide-area network and trusted internet connection requirements at a fraction of the cost of private sector solutions, eliminating underutilized technologies and surplus licenses, and enhancing management information systems that deliver accurate and actionable intelligence to OIG leadership.

Through a model of consistent and clear leadership, onboarding talented and dedicated IT professionals and increasing their knowledge base, and refining critical skillsets, the OIG has managed to build a cohort of exceptional IT subject matter experts. This has allowed the OIG to descope our primary business operations support contract by approximately 40 percent and reallocate resources to mandated cybersecurity requirements and away from baseline IT personnel needs while simultaneously improving overall IT operations and the ability to deliver on agency mission needs.

KEY OPERATIONAL INITIATIVES

HUD OIG Oversight

HUD's portfolio is massive and its programs affect every community in America. HUD programs provide hundreds of billions of dollars in grant funding, as well as trillions of dollars in mortgage insurance and mortgage-backed securities. HUD oversees a vast network of participants that administer its programs, including public housing authorities, landlords, non-profit organizations, State and local governments, and mortgage lenders and servicers. For example, almost 600,000 landlords participate in HUD's rental assistance programs, which served over 4.4 million families in 2024; roughly 20,000 entities do significant business with HUD; and HUD insures over 16,600 multifamily loans for over 14,600 property owners with a total unpaid balance on these loans of over \$169 billion. Between FY 2021 and March 2025, HUD processed over 4.4 million Federal Housing Administration (FHA) loan applications, excluding reverse mortgages. There is currently

over \$1.49 trillion in outstanding balance in FHA loans, and over \$2.7 trillion in principal for all pooled loans guaranteed by Ginnie Mae. Over the past 5 years, HUD's mortgage insurance programs relied on over 14,000 underwriters, 1,600 originators, over 1,000 servicers, over 35,000 appraisers, and over 200,000 loan officers.¹

As HUD programs evolve, the independent oversight that the OIG provides will continue to be critically important. The President's Budget outlines how the OIG can provide scalable, independent, timely, and relevant oversight that influences positive outcomes for HUD's programs and operations. Our special agents, auditors, evaluators, attorneys, data scientists, and professional staff together produce independent, objective oversight to protect the integrity of HUD's programs and to find ways HUD can operate more efficiently and effectively.

Oversight Components

The OIG is currently comprised of four oversight offices – Office of Audit, Office of Investigation, Office of Evaluation, and Office of Special Inquiry, and two support offices – Office of Operations and Office of Legal Counsel.²

Offices of Audit and Evaluation

The OIG's Offices of Audit and Evaluation conduct reviews of HUD programs and program participants, which include public and private entities that receive and administer HUD grants, mortgage loan lenders and servicers, issuers of Ginnie Mae mortgage-backed securities, and contractors who provide goods and services to HUD. These reviews examine how HUD offices implement and execute programs; assess compliance with applicable laws, regulations, and policies; and inspect and test internal controls and anti-fraud measures. Additionally, these teams conduct statutorily mandated reviews of HUD's consolidated financial statements, information security programs and practices, compliance with laws requiring the prevention of improper payments, and data governance.

We have aligned our audit and evaluation teams with specific HUD program functions, such as financial management, information technology and cybersecurity, mortgage insurance and secondary financing, rental assistance and safety hazards, disaster and other grants management, and other core programs and operations of the Department. This alignment positions staff to apply their programmatic subject matter expertise in a manner that is data-driven, strategic, and provides effective oversight that identifies risks to HUD and the vast range of programs and tens of thousands of program participants on whom HUD relies to execute its mission.

Offices of Investigation and Special Inquiry

The OIG's Office of Investigation conducts investigations of alleged criminal conduct in HUD's programs throughout the country. The OIG's Special Agents are authorized by Federal law to carry firearms, make arrests, serve subpoenas, seek and execute warrants, and seize evidence. The OIG refers evidence of criminal conduct and civil fraud to the U.S. Department of Justice and State and other local entities for prosecution and also makes referrals to HUD's Office of Program Enforcement and the Departmental Enforcement Center for appropriate administrative action. The referrals result in indictments, incarcerations, and monetary recoveries from bad actors, as well as exclusions from future participation in HUD and other Federal programs. In addition to assessing and

¹ Figures are current as of March 24, 2025.

² Consistent with the requirements of Section 405 of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2024 (Division F of P.L. 118-42, March 8, 2024), on December 2, 2024, the OIG provided notice to House and Senate Committees on Appropriations of OIG's intention to consolidate the Office of Audit and Office of Evaluation. Additional details are provided below.

investigating the tens of thousands of allegations of fraud and misconduct that are brought to our office each year, our investigative teams also use data analytics to identify fraud risks proactively. Balancing a mix of reactive and proactive oversight ensures that we apply our resources to the most significant threats that jeopardize the integrity of HUD's programs.

The OIG's teams of criminal investigators are geographically positioned to strategically respond to risk within HUD programs. Our investigators are assigned to cover areas based on data and fraud risk indicators, such as the size, scope, and type of HUD funding an area receives, the number of beneficiaries or recipients of HUD funding, and prior instances of fraud. Placing our investigative teams in areas that present the most risk to HUD programs allows the OIG to quickly respond to allegations of criminal misconduct, develop relationships with local entities that do business with or on behalf of HUD, and reduces the cost and time spent on travel.

As a corollary to the criminal investigative work of the Office of Investigation, the OIG's Office of Special Inquiry (OSI) conducts administrative investigations of alleged employee misconduct or gross mismanagement at HUD and internal to the OIG. Typically, these investigations involve alleged violations of the ethical standards of conduct for government employees and retaliation against whistleblowers. Additionally, OSI conducts special reviews of sensitive or high-profile programmatic matters that involve complex legal issues.

Also, OSI staffs the statutorily required OIG Whistleblower Protection Coordinator, who is available to provide resources and information to HUD employees and others about their whistleblower rights, as well as discuss remedies and resources available to them related to making protected disclosures. Additionally, pursuant to 41 U.S.C. 4712, the OIG is statutorily required to assess retaliation complaints from employees of contractors, grantees, and subrecipients who blow the whistle, to investigate meritorious allegations, and refer our findings to HUD for final decision and any remedial action. Each year, OSI receives approximately 150 allegations of retaliation against employees of HUD contractors or grantees.

Risk-Based Oversight at All Program Levels

Through risk-based planning, the OIG has developed oversight portfolios that are focused on the root causes of HUD's top management and performance challenges. In these portfolios, we examine risk at multiple levels by conducting oversight at the enterprise, program, and participants levels. This tiered approach allows the OIG to drive change by producing high-quality reports that make pragmatic, reasonable, and measurable recommendations for HUD action.

IT and Data Literacy Investments

While the OIG has taken significant steps to increase efficiency in IT operations, as an organization, we remain committed to prioritizing investments and initiatives that directly strengthen our mission outcomes. Through our data literacy efforts, we continue to expand access for auditors, evaluators, and investigators to critical datasets, econometric tools, and advanced analytics techniques, including machine learning and natural language processing. These capabilities have significantly improved our ability to identify high-risk grantees and entities doing business with HUD, enabling more focused and effective oversight.

By applying key financial risk indicators to HUD's major portfolios—such as Multifamily Housing and Community Planning and Development Disaster funds—we are generating targeted, actionable insights to support all core oversight functions. Looking ahead, we plan to further enhance these tools with advanced artificial intelligence to increase the efficiency and impact of our mission work.

Our technology investments have also strengthened how we intake, analyze, and integrate hotline data with other text-based reporting systems. We are developing connections between hotline

reports, HUD quality assurance reviews, and Single Audit findings to better support risk-based targeting. These capabilities allow us to link information across HUD programs and data systems, helping to surface emerging risks and shed light on persistent program weaknesses that may warrant additional scrutiny.

These examples represent the dividends that are being paid from the long-term strategic approach to IT operational management and targeted investment in the capabilities that make the OIG IT environment more resilient, better protected, and increase the effectiveness of the OIG's oversight. The 2026 Budget builds on these successes and ensures achievement of the OIG's critical operational and mission requirements.

Investigative Excellence

HUD OIG special agents often face complex, nuanced, and evolving challenges as they target and deliver impactful investigations. OIG received and triaged over 15,000 hotline complaints in FY 2024, in addition to developing proactive investigations and investigative leads generated through strategic partnerships with Federal, State, and local law enforcement.

With finite, but scalable, capacity and vast oversight responsibilities, OIG investigators focus on leveraging those partnerships, identifying the most impactful cases, and finding the most efficient path to a thorough investigative outcome through the use of targeted analytics and other techniques OIG proactively developed.

The OIG priorities are focused on achieving the greatest beneficial impact on the integrity of HUD's programs and operations by targeting investigative resources towards cases involving particular harmful conduct.

The OIG prioritizes investigations into alleged: 1) public corruption, embezzlement, and procurement fraud schemes in HUD's rental assistance and community development grants; 2) fraud by housing providers who fail to properly protect tenants from lead or other health hazards; 3) sexual misconduct by housing providers; and 4) mortgage fraud schemes that cause losses to HUD's insurance funds. The factors we assess to determine the impact our investigations will generate include: 1) high dollar loss to HUD programs; 2) the position or status of the subject, with emphasis on subjects in positions of public trust; 3) corruption by Federal, State, or local public officials such that they are alleged to have engaged in schemes that involve official actions resulting in private gain; 4) vulnerability of a victim or class of victims harmed by the alleged misconduct; 5) coordinated agreements to defraud a program by a group of subjects; and 6) exploitation of a specific program weakness that the OIG may help HUD remediate through the investigation. In doing so, OIG will provide comprehensive and impactful investigations that cover HUD's vast portfolio, whether mortgage insurance origination and servicing, rental assistance, traditional and disaster grant oversight, safety hazards in housing, or sexual misconduct in HUD-assisted housing.³

³ HUD OIG investigations demonstrating these priorities include: [Chicago Businessman Sentenced to More Than 17 Years in Prison for Bilking Elderly Homeowners in Reverse Mortgage Scheme](#); [Justice Department Obtains \\$4.5 Million Settlement from a New Jersey Landlord to Resolve Claims of Sexual Harassment of Tenants](#); [Hampton landlord racially harassed and evicted tenants, then used their identities to defraud COVID relief programs](#); [U.S. Obtains Consent Decree Against Lilmor Management, Morris Lieberman, And Others To Abate Lead Paint And Improve Housing Conditions Across More Than 2,500 Apartments In Largely Low And Moderate-Income Neighborhoods](#); [Virgin Islands Government Officials Charged In \\$4 Million Dollar Hud Fraud Scheme](#); [70 Current And Former NYCHA Employees Charged With Bribery And Extortion Offenses](#); [Executive Charged With Skimming \\$1.1 Million From Federally Insured Nursing Homes](#); [Four Bay Area Real Estate Professionals Charged In Years-Long Mortgage Fraud Scheme](#); [Hoboken Woman Sentenced to Five Years in Prison for \\$1.5 Million Fraud Scheme that Targeted over 100 Non-Profit Victims, Including Schools and](#)

Over the last several years, a significant investigative focus has been on allegations that State and local government officials and employees of public housing authorities are stealing or misusing HUD grant and rental assistance funding for personal gain. This includes complex fraud schemes involving steering contracts to entities with whom the subject has a financial conflict of interest or in exchange for bribes or kickback payments, and employees embezzling funds at entities without sufficient internal controls or segregation of duties to prevent and detect misuse of HUD funding. Over 67 percent of HUD grant expenditures are made through its rental assistance programs, and fraud against these programs reduces funding available to assist low-income renters in need of affordable housing.

Additionally, we have prioritized investigations of housing providers to ensure they are accountable for complying with laws and regulations to protect the health and safety of low-income households and other vulnerable populations. Within this priority, our investigations are focused on fraud by landlords, contractors, and inspectors in their management of lead and other health safety hazards in HUD-assisted housing. These fraud schemes include landlords failing to properly disclose lead-based paint to prospective renters, landlords and contractors falsely certifying that they have performed maintenance work or that it is performed in a safe manner, and landlords falsely certifying that they have made critical repairs to HUD-assisted units. Additionally, we have identified financial fraud schemes in which landlords exploit vulnerable populations by overcharging rent or housing fees.

Improper Payments

Improper payments are a longstanding and significant problem in the Federal Government, but HUD has uniquely struggled to identify and mitigate the risk of improper payments in its largest programs. For eight consecutive years OIG has reported systemic challenges HUD has with preventing, identifying, and remediating improper payments. These challenges acutely affect Office of Public and Indian Housing's (PIH) Tenant-Based Rental Assistance Program (TBRA) and the Office of Multifamily Housing (MF) Program's Project-Based Rental Assistance (PBRA), which totaled \$50 billion in expenditures in FY 2024.

In addition, HUD's major grant programs need accurate, timely, and complete financial and performance data for HUD and its recipients to determine if HUD grants have achieved their intended results. As a result, HUD OIG is identifying portfolio-specific oversight examining ways in which HUD can better prevent, identify, and remediate improper payments, and increase the maturity of its antifraud practices. Examples of the scalable audit series addressing improper payments and other risks to payment integrity include:

- Program-Specific Improper Payment Estimate – With HUD's sustained inability to complete testing of improper payments, OIG is conducting its own audits to test for and estimate improper payments both in HUD rental assistance and other programs. In addition to OIG's statutorily mandated PIIA work, the OIG has initiated audits to estimate improper payments in the PIH-TBRA, FHA Claims Without Conveyance of Title.
- Grantee-level risks –Following audits identifying that HUD and Community Planning and Development (CPD) have immature fraud risk management practices, and with CPD's expectation that grantees proactively address fraud, HUD OIG is auditing risk-ranked grantees through CPD's portfolio to determine if improper payments exist in their programs. This includes grantees that experienced large influxes of funding or those that

[Religious Institutions; Former Executive Director of South Bend Housing Authority Sentenced to 108 Months in Prison; Walter Pierluisi Isern, Eduardo Pierluisi Isern, and American Management and Administration Corporation Sentenced for Federal Program Theft in Excess of \\$3.7 Million.](#)

implement programs OIG believes susceptible to improper payments, including Emergency Solutions Grant – COVID-19 grantees, CDBG-DR grantees, and programs with previously identified risks of improper payments such as the use of CDBG-DR funds as nonfederal match for the Federal Emergency Management Agency’s Public Assistance Program.

- Single Audit Act Reviews: OIG will conduct oversight using Single Audit Act findings and deficiencies to identify financial management issues at entities to both improve HUD oversight and accountability for Single Audit Act filers.

Multifamily and Public Housing Agency Management of Lead Hazards and Unit Conditions

OIG found critical enterprise-wide gaps in how PIH and the Office of Multifamily Housing ensure that PHAs and landlords maintain their properties in safe, sanitary, and decent conditions. Examples of the scalable audit series addressing health hazards include:

- PHA Management of Lead Based Paint in Public Housing: OIG is auditing PHAs to determine whether the PHAs adequately managed lead-based paint and lead-based paint hazards in their public housing. The audits focus lead hazards disclosures, annual assessments, acting appropriately following confirmed cases of elevated blood lead levels in children, and documenting the PHAs’ lead hazard mitigation and other work.
- PHA Unit Conditions: OIG initiated audits of PHAs in Massachusetts and Ohio that administer Housing Choice Vouchers and public housing programs to determine whether the physical conditions of the PHAs’ HCV and public housing program units meet HUD’s and the PHAs’ own requirements.
- Elevated Blood Lead Levels (EBLL) in Multifamily Properties: OIG is evaluating how the Office of Multifamily Housing tracks and reports EBLL cases in HUD-assisted Multifamily properties receiving Section 8 project-based rental assistance.

Fraud Risk Management

HUD needs to complete fraud risk assessments of its programs and develop robust antifraud frameworks to mitigate fraud risk. Despite recent progress, HUD’s fraud risk management program is still in its infancy and lacks structure and resources. HUD OIG will continue to focus audit resources on improving HUD’s financial programs through statutorily required oversight of the Department’s financial programs. OIG will also continue to test HUD’s programs for systemic weaknesses in fraud risk controls and other gaps that could negatively impact HUD’s programs.

Counterparty Risk in Mortgage Programs

HUD mortgage insurance programs rely on hundreds of thousands of underwriters, originators, servicers, appraisers, and loan officers across the country. Properly overseeing their work and ensuring it is performed in accordance with HUD requirements is critical to ensuring loans are originated without undue risk to the mortgage insurance funds, are serviced in accordance with HUD requirements, and are conveyed to HUD in a way that minimizes risk to the HUD-insured portfolio. OIG will continue to assess how well HUD oversees the participants in its mortgage insurance programs, as well as key operational risks inherent to how the Federal Housing Administration operates. An example of an ongoing audit series addressing counterparty risks includes:

- Quality Control Programs: HUD OIG is auditing large and mid-sized mortgage originators’ quality control programs for originating and underwriting loans, including the companies’ reviews of rejected mortgage applications.

Modernizing IT Systems

Modernizing IT systems is an important theme across the major challenges that inhibit HUD from improving. HUD employees, program partners, and external stakeholders consistently report to the OIG that HUD's legacy IT systems are incapable of supporting the best execution of its programs. Many of HUD's IT systems need to be modernized to (1) securely collect, use, and analyze data necessary for ensuring program integrity, and (2) more effectively administer and oversee billions of taxpayer dollars and records containing personally identifiable information. Project management gaps and shifting priorities continue to delay the full implementation of significant modernizations efforts. The OIG, as well as the U.S. Government Accountability Office, have found that improving IT project management at HUD should result in cost savings, higher efficiencies, and more secure systems. HUD OIG is focusing oversight on key modernization efforts and infosec programs, including:

- **PIH Information Technology Modernization Resourcing:** As an example of a program-specific IT initiative, HUD OIG is auditing PIH's IT modernization efforts. Given the centrality of both systems to supporting HUD's rental assistance program operations and integrity, OIG is assessing the IT modernization process for Enterprise Voucher Management System and Housing Information Portal systems.
- **FISMA:** OIG is evaluating HUD's infosec program and practices, as required by the Federal Information Security Modernization Act of 2014. Within that body of work, HUD OIG has developed penetration testing protocols to test and address key systems and vulnerabilities that can be exploited by both internal and external malicious actors.

Operational Improvements

Consolidation of Office of Audit and Office of Evaluation

Over the past several years, OIG has repositioned our staff to provide more comprehensive oversight over HUD's critical programs and operations, aligning oversight teams with HUD program functions to apply deeper analysis towards areas of greatest risk to HUD's success. This ensures that OIG provides strategic, targeted oversight over critical HUD programs, which results in actionable recommendations that identify a roadmap for HUD and its stakeholders to achieve program improvements. Audit and evaluation teams have deepened their expertise and are now better positioned to be supported by a unified management structure and operations team. Stakeholders and OIG management demand the same rigor in the planning, execution, reporting, and management of our oversight products and teams regardless of whether the work is performed by the Office of Evaluation or the Office of Audit.

Consistent with the requirements of Section 405 of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2024 (Division F of P.L. 118-42, March 8, 2024), on December 2, 2024, the OIG provided notice to House and Senate Committees on Appropriations of OIG's intention to consolidate the Office of Audit and Office of Evaluation. Doing so will achieve significant efficiencies because it (1) combines into one group positions that have analogous duties and job functions; (2) brings cohesion to the planning and execution of oversight work; (3) reduces management layers; and (4) eliminates inconsistencies and duplication in support functions, personnel resources, data and document management systems, and work processes.

Improving Coordination Over OIG Recommendation Closure

In 2019, we began an initiative to reduce the number of open OIG recommendations, which at the time totaled more than 2,100. HUD and HUD OIG have worked collaboratively since then to close thousands of outstanding recommendations. It is vitally important to HUD, OIG, Congress, and the public that the processes OIG and HUD use to resolve and close recommendations are credible,

efficient, effective, transparent, and timely. These factors are best met when HUD and OIG routinely communicate regarding efforts to address OIG recommendations, and when OIG determines whether HUD has effectively addressed recommendations. Further enhancing the recommendation closure process will improve the coordination between HUD and OIG, help ensure that the recommendation follow-up is timely and thorough, and, most importantly, that appropriate corrective action has been taken to improve the efficiency and effectiveness of HUD programs.

Other Benefits Tracking

OIG has developed a robust process by which recommendation closures that result in non-monetary benefits are tracked and accounted for, including methods to ensure teams do so consistently and accurately. As OIG's oversight portfolio has shifted towards oversight focusing more on improving HUD programs as a means to improve outcomes for people they serve, tracking these "Other Benefits" will allow OIG to better measure and track its performance.

In FY 2025, the OIG began tracking non-monetary benefits of our previously closed recommendations. As of March 31, 2025, the OIG identified 278 HUD actions that produced systemic benefits for HUD programs and its many participants and beneficiaries, and safeguarded taxpayer funds from fraud, waste, abuse, and mismanagement. These non-monetary benefits included: 76 guidance enhancements, 61 process improvements, 112 actions that increased program effectiveness, and 29 actions whereby HUD enhanced accuracy in its reporting.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FISCAL YEAR 2026 GENERAL PROVISIONS (INCLUDING CANCELLATIONS AND TRANSFER OF FUNDS)

This document summarizes the General Provisions (GPs) in the FY 2026 President's Budget.

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437f note) shall be cancelled or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not cancelled or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not cancelled or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

Explanation of this Section – Section 8 Savings: This section relates to the sharing of savings from refunding bonds for certain Section 8 contracts.

SEC. 202. Except as explicitly provided in law, any grant, cooperative agreement or other assistance made pursuant to title II of this Act shall be made on a competitive basis and in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545).

Explanation of this Section – Competition in Accordance with HUD Reform Act: This provision requires that HUD funds be subject to competition unless specified otherwise in statute.

SEC. 203. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1).

Explanation of this Section – GNMA Legal Services: This provision makes limitations on administrative expenses inapplicable to certain expenditures of Ginnie Mae, including legal services contracts and the expenses of carrying out its programmatic duties. This provision ensures that administrative expenses provided in annual appropriations bills do not preclude Ginnie Mae's reliance upon its permanent, indefinite appropriation, in Section 1 of the National Housing Act, for essential operating funds.

GENERAL PROVISIONS

SEC. 204. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2026 for such corporation or agency except as hereinafter provided: Provided, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

Explanation of this Section – HUD Corporation Expenditures: This provision is an authorization by which Congress implements its responsibilities under Section 104 of the Government Corporations Control Act (31 U.S.C. 9104), which is necessary to carry out the programs set forth in Ginnie Mae's budget for the coming year.

SEC. 205. No official or employee of the Department of Housing and Urban Development shall be designated as an allotment holder unless the Office of the Chief Financial Officer has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives. The Chief Financial Officer shall ensure that there is a trained allotment holder for each HUD appropriation under the accounts "Executive Offices", "Administrative Support Offices", "Program Offices", "Government National Mortgage Association-Guarantees of Mortgage-Backed Securities Loan Guarantee Program Account", and "Office of Inspector General" within the Department of Housing and Urban Development.

Explanation of this Section – Designated Allotment Holders: This provision requires the OCFO to make sure that allotment holders have an adequate funds control system in place and that training on funds control procedures and directives has occurred for an official or employee before such official or employee is designated an allotment holder.

SEC. 206. The Secretary shall, for fiscal year 2026, notify the public through the Federal Register and other means, as determined appropriate, of the issuance of a notice of the availability of assistance or notice of funding opportunity (NOFO) for any program or discretionary fund administered by the Secretary that is to be competitively awarded. Notwithstanding any other provision of law, for fiscal year 2026, the Secretary may make the NOFO available only on the Internet at the appropriate Government website or through other electronic media, as determined by the Secretary.

Explanation of this Section – Notice of Funding Opportunity Publication: This provision requires the Department to publish notices of availability of assistance or funding opportunity for any program that is competitively awarded. The notices may be published on the internet.

GENERAL PROVISIONS

SEC. 207. The Secretary may transfer funds appropriated for any office under the headings “Administrative Support Offices”, “Program Offices”, or “Government National Mortgage Association—Guarantees of Mortgage-Backed Securities Loan Guarantee Program Account” to any other such office under such headings: Provided, That the Secretary shall provide notification to the House and Senate Committees on Appropriations no less than 3 business days in advance of any such transfer under this section up to 10 percent or \$5,000,000, whichever is less: Provided further, That the Secretary shall submit a written justification for any such transfer that increases or decreases an office by more than 10 percent or \$5,000,000, whichever is less, no less than 10 business days in advance of such transfer.

Explanation of this Section – Transfer of Funds: This provision gives the Secretary the authority to transfer a limited amount of funds, as needed, between accounts that provide for personnel and non-personnel expenses. Expanding the transfer authority to include the Government National Mortgage Association (GNMA) is necessary to provide the Department with the flexibility to prevent salaries and expenses (S&E) funding shortfalls and ensure that GNMA is adequately staffed to play its critical role in ensuring the stability of the housing finance market.

SEC. 208. None of the funds made available in this Act shall be used by the Federal Housing Administration, the Government National Mortgage Association, or the Department of Housing and Urban Development to insure, securitize, or establish a Federal guarantee of any mortgage or mortgage backed security that refinances or otherwise replaces a mortgage that has been subject to eminent domain condemnation or seizure, by a State, municipality, or any other political subdivision of a State.

Explanation of this Section – Eminent Domain Restrictions: This provision prohibits HUD from guaranteeing mortgages or mortgage-backed securities that refinance or otherwise replace mortgages that have been subject to eminent domain.

SEC. 209. Amounts made available by this Act that are appropriated, allocated, advanced on a reimbursable basis, or transferred to the Office of Policy Development and Research of the Department of Housing and Urban Development and functions thereof, for research, evaluation, or statistical purposes, and that are unexpended at the time of completion of a contract, grant, or cooperative agreement, may be deobligated and shall immediately become available and may be reobligated in that fiscal year or the subsequent fiscal year for the research, evaluation, or statistical purposes for which the amounts are made available to that Office.

Explanation of this Section – Unobligated Research Funds: This provision gives HUD the ability to re-obligate research funds left unexpended at the conclusion of an agreement.

SEC. 210. None of the funds provided in this Act or any other Act may be used for awards, including performance, special act, or spot, for any employee of the Department of Housing and Urban Development subject to administrative discipline (including suspension from work), in this fiscal year, but this prohibition shall not be effective prior to the effective date of any such administrative discipline or after any final decision over-turning such discipline.

Explanation of this Section – Prohibition of Awards: This provision prohibits the Department from issuing performance awards to employees subject to administrative discipline.

SEC. 211. For fiscal year 2026, if the Secretary determines or has determined, for any prior formula grant allocation administered by the Secretary through the Offices of Public and Indian Housing, Community Planning and Development, or Housing, that a recipient received an allocation greater than the amount such recipient should have received for a formula allocation cycle pursuant to applicable statutes and regulations, the Secretary may adjust for any such funding error in the next applicable formula allocation cycle by (a) offsetting each such recipient's formula allocation (if eligible for a formula allocation in the next applicable formula allocation cycle) by the amount of any such funding error, and (b) reallocating any available balances that are attributable to the offset to the recipient or recipients that would have been allocated additional funds in the formula allocation cycle in which any such error occurred (if such recipient or recipients are eligible for a formula allocation in the next applicable formula allocation cycle) in an amount proportionate to such recipient's eligibility under the next applicable formula allocation cycle: Provided, That all offsets and reallocations from such available balances shall be recorded against funds available for the next applicable formula allocation cycle: Provided further, That the term "next applicable formula allocation cycle" means the first formula allocation cycle for a program that is reasonably available for correction following such a Secretarial determination: Provided further, That if, upon request by a recipient and giving consideration to all Federal resources available to the recipient for the same grant purposes, the Secretary determines that the offset in the next applicable formula allocation cycle would critically impair the recipient's ability to accomplish the purpose of the formula grant, the Secretary may adjust for the funding error across two or more formula allocation cycles.

Explanation of this Section – Formula Grant Allocation Adjustments: This provision allows the Department to correct any past formula allocation errors as part of the next applicable formula allocation cycle.

SEC. 212. Of the amounts made available for salaries and expenses under all headings in this title (excluding amounts made available under the heading "Office of Inspector General"), a total of up to \$10,000,000 may be transferred to and merged with amounts made available in this title under the heading "Information Technology Fund".

Explanation of this Section – Information Technology Transfer

Authority: This provision allows for the transfer and merger of up to \$10 million of salaries and expenses funds to the Information Technology Fund.

SEC. 213. The Secretary of Housing and Urban Development may include the whistleblower protections in section 4712 of title 41, United States Code, in any contract, subcontract, grant, subgrant, or personal services contract that is modified for any reason, even when the modification is not considered a major modification, regardless of when the agreement was executed.

Explanation of this Section: This provision provides HUD the clear authority to expeditiously include whistleblower protections of 41 U.S.C. 4712 within all contracts and grants, including outstanding project-based rental assistance contracts, rather than wait until there is a major modification.