



UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-0001

TEMPORARY PARTIAL REGULATORY WAIVER OF 24 CFR § 200.194(d)

Waiver of the Expiration Date of Nonprofit Roster Approval for 120 Days for any HUD-approved Nonprofit Seeking Recertification

BACKGROUND:

On March 13, 2020, President Trump declared a national emergency concerning the novel coronavirus disease (COVID-19) outbreak, and initiated actions to stem the threat to public health and American economy.¹ In addition, the World Health Organization has declared the COVID-19 outbreak a pandemic event.

To support housing needs across the country, the Department of Housing and Urban Development (HUD) seeks temporary relief for nonprofit program participants that may be impacted by COVID-19 pandemic.

HUD-approved nonprofit organizations approved to participate in the FHA program provide housing opportunities to low- to moderate-income families. Under 24 Code of Federal Regulation, § 200.194, nonprofits are approved by HUD to participate in FHA programs. Regulation 200.194(d) requires nonprofits to reapply prior to the expiration of an existing 2-year approval. Nonprofits impacted by COVID-19 have asked for a waiver of the time period before they must reapply or have their approval recertified.

FINDINGS AND DETERMINATIONS:

Pursuant to Section 7(q) of the Department of Housing and Urban Development Act (42 USC 3535(q) and 24 CFR Section 5.110, I hereby make the following Findings and

¹ See <https://www.whitehouse.gov/presidential-actions/proclamation-declaring-national-emergency-concerning-novel-coronavirus-disease-covid-19-outbreak/>

Determinations and find good cause to waive a portion of Federal Housing Administration (FHA) regulations at 200.194(d).

FINDINGS

1. Section 200.194 of the 24 Code of Federal Regulations requires nonprofit organizations (nonprofits) to apply to HUD for approval and placement on FHA's Nonprofit Roster (Roster). The provisions in this regulation provide an overarching process for a nonprofit's application, approval, rejection, and reapplication (reapplication is also referred to as recertification).
2. Section 200.194(d) provides that placement of a nonprofit on the Roster expires after two years.
3. This regulation further provides that the nonprofit must reapply for placement on the Roster, before expiration of its existing two-year approval period.
4. Reapplication and recertification prior to expiration of the 2-year period allows a nonprofit to stay on the Roster, retain system access, and continue legal authority to participate in the FHA program.
5. There are approximately 30 HUD-approved nonprofits that are within 90 to 120 days of expiration of their 2-year approval. Some of these nonprofits may request an extension to re-apply.

DETERMINATIONS

1. To assist FHA-approved nonprofits that support affordable housing needs, a temporary and partial waiver to regulations affecting the approval period for nonprofits is recommended.
2. An extension of the approval period of a nonprofit is not likely to increase risk to the FHA's Mutual Mortgage Mutual Fund.
3. The granting of the partial waiver is consistent with the Department's objectives to support program participants that promote affordable housing opportunities for low- to moderate-income individuals.
4. Pursuant to the authority contained in 24 CFR §5.110, the above findings constitute good cause for the granting the partial waiver of 24 CFR § 200.194(d).
5. A partial waiver of these regulations will not violate any statutory requirements.

WAIVER:

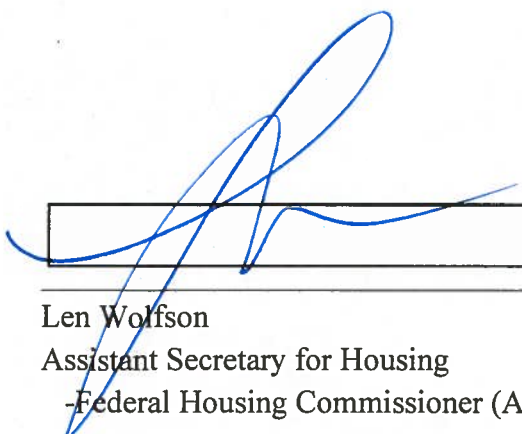
The requirement for reapplication and recertification prior to the two-year expiration of a HUD-approved nonprofit as described within § 200.194(d) is hereby partially and temporarily waived to allow:

A. A 120 Day extension to the 2-year approval period,
This waiver shall apply to nonprofits that are approved and are approaching expiration of their two-year approval period for placement on the Roster. Nonprofits seeking reapproval will be required to continue to comply with all other requirements pertaining to reapproval including deadlines in HUD Handbook 4000.1 for document submission.

WAIVER EFFECTIVE AND EXPIRATION DATE:

1. This waiver shall be in effect for one year from the date below.

Issued 6/30/20, 2020
Washington, DC



Len Wolfson
Assistant Secretary for Housing
-Federal Housing Commissioner (Acting)