



Update on HUD Operations during Potential Lapse in Appropriations

September 29, 2023

As many of you are aware, annual funding for much of the government expires on September 30. HUD is closely monitoring action on Capitol Hill. Unfortunately, a protracted shutdown could have devastating consequences for our communities, economy, and national security.

Prudent management requires the proper preparation for all contingencies, including the possibility that a lapse in appropriations from Congress may occur. A lapse in appropriations would mean that certain government activities will cease, although a limited number of the activities normally supported by the Federal government are “excepted” from shutting down and will continue to operate. These activities meet a very strict legal standard, such as emergencies involving the safety of life and protection of property.

In the event of a lapse in appropriations, HUD has sufficient carryover funds to operate through the completion of the pay period ending October 7th and employees should continue to follow their planned schedule. We will provide further updates on the agency's operating status as necessary. That means most HUD functions will continue and the Department will provide further updates on its operating status, as necessary.

In limited circumstances, certain activities will no longer be authorized even though HUD has funding to temporarily operate after this lapse. For example, after September 30, new reverse mortgage originations would not be available for endorsement for seniors through the Home Equity Conversion Mortgage (HECM) program. Specific HUD offices will provide further guidance to impacted stakeholders, if and when, necessary.

Consistent with HUD’s Contingency Plan for a lapse, we will execute an orderly shutdown of all non-excepted activities, after October 7, as necessary. A full list of HUD programs and their designated excepted activities under a lapse in appropriations can be found at www.hud.gov in HUD’s [Contingency Plan](#) (pages 11-34).

For more information, visit HUD.Gov to find regular updates.

Thank you for your continued support and dedication as we move through this process.