This Policy Guidance is being issued to reiterate the restrictions imposed on grantees from conducting lead hazard control work in units that fall outside the scope of target housing or are otherwise not allowable costs, as defined by the Residential Lead-based Paint Hazard Reduction Act and the Notices of Funding Availability.

Lead Hazard Control grant funds may not be used to evaluate or control lead-based paint hazards in the following circumstances:

1. Lead hazard evaluation or control activities in publicly-owned housing, or project-based Section 8 housing (this housing stock is not eligible under Section 1011(a) of the Lead-Based Paint Hazard Reduction Act). See PGI 1998-02, Eligibility of certain publicly owned housing for assistance under Lead Hazard Control grants for allowable exemptions;
2. Lead hazard evaluation or control activities in rental housing covered by a pending or final HUD, EPA, and/or Department of Justice settlement agreement, consent decree, court order or other similar action regarding violation of the Lead Disclosure Rule (24 CFR part 35, Subpart A, or the equivalent 40 CFR part 745, subpart F), or by HUD regarding the Lead Safe Housing Rule (24 CFR part 35, subparts B–R);
3. Activities that do not comply with the Coastal Barrier Resources Act (16 U.S.C. § 3501);
4. Lead-hazard control or rehabilitation of a building or manufactured home that is located in an area identified by the Federal Emergency Management Agency (FEMA) under the Flood Disaster Protection Act of 1973 (42 U.S.C. §§ 4001–4128) as having special flood hazards unless:
   a. The community in which the area is situated is participating in the National Flood Insurance Program in accordance with the applicable regulations (44 CFR parts 59–79), or less than a year has passed since FEMA notification regarding these hazards; and
   b. Where the community is participating in the National Flood Insurance Program, flood insurance on the property is obtained in accordance with section 102(a) of
the Flood Disaster Protection Act (42 U.S.C. § 4012a(a)). You are responsible for assuring that flood insurance is obtained and maintained for the appropriate amount and term.

5. Demolition of housing units or detached buildings as a means of lead hazard control and/or the replacement of such structures; and

6. All other non-target housing. The term “target housing” means any privately-owned housing constructed prior to 1978, except:
   a. Housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing for the elderly or persons with disabilities),
   b. Any 0-bedroom dwelling (e.g., studios, lofts, and efficiencies).

All dwellings assisted with lead hazard control funds must be eligible at the time lead hazard control grant assistance is provided. Therefore, using lead hazard control funds to evaluate and control lead-based paint hazards in large-scale development projects, such as historic mill or factory conversions to residential dwellings, is prohibited.

Grantees are reminded that HUD’s lead hazard control grant programs are intended to address lead-based paint hazards, as identified by a certified risk assessor, in order to protect children from the threat of lead poisoning.

Should you have any questions, please contact your Government Technical Representative.