

Explanation of Calendar Year (CY) 2026 Public Housing Operating Subsidy Obligations for October and November

Interim Project Eligibility Levels for CY 2026

The Department is in the process of obligating Operating Subsidy grants for the months of October and November 2026, in accordance with the information below. October and November 2026 obligations are based on the interim eligibility determined after processing the 2026 Operating Subsidy forms. This obligation will cover eleven twelfths of prorated eligibility in eLOCCS.

All Operating Subsidy obligations are cumulative. As such, to the extent that excess amounts were cumulatively obligated to a project previously, its next obligation (and possibly future obligations depending upon the amount of the overfunding) will reflect a relative decrease. To the extent that insufficient amounts were cumulatively obligated to a project previously, its next obligation will reflect a relative increase. This round of funding is expected to be available in eLOCCS no later than October 01, 2026. The next round of funding is expected to be made available in eLOCCS no later than December 01, 2026. Obligation Letters and project level Detailed Calculation Reports will be available on the FMD website for 2026:

[Calendar Year \(CY\) 2026 Operating Fund Grant Processing | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)

These grants may be subject to the requirements of the Build America, Buy America Act (BABA) which was enacted on November 15, 2021, as part of the Infrastructure Investment and Jobs Act (Public Law 117–58), unless waived by the Department: refer to HUD's BABA webpage for further information (https://www.hud.gov/program_offices/general_counsel/build_america_buy_america).

Proration Levels for CY 2026 using an Interim and Estimated Eligibility

For the October and November 2026 months of funding, the Department used 2026 interim eligibility to establish an interim proration level of approximately 86.70%. The final proration will be determined based on the difference between the actual eligibility reflected in the final approved PHA subsidy requests and the amount provided under the Consolidated Appropriations Act, 2026

Office of Public and Indian Housing

CY 2026 Interim Proration Calculation		
#	Description	Amount
1	CY 2026 Appropriation	\$ 4,687,393,000
2	RAD Reapportionment	\$ (33,774,848)
3	Amount Available for Distributions	\$ 4,653,618,152
4	2026 Actual Eligibility	\$ 4,967,561,966
5	Add: Reserve for Revisions and Appeals	\$ 400,000,000
6	Total Eligibility (4 through 5)	\$ 5,367,561,966
7	Proration (3) / (6)	86.70%