

Explanation of Calendar Year (CY) 2026 Public Housing Operating Subsidy Obligations for July-September

Interim Project Eligibility Levels for CY 2026

The Department is in the process of obligating Operating Subsidy grants for the month of July, August, and September 2026, in accordance with the information below. July, August, and September 2026 obligations are based on the interim eligibility determined after processing the 2026 Operating Subsidy forms. This obligation will cover nine 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 July 1, 2026. The next round of funding is expected to be made available in eLOCCS no later than October 1, 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 July, August, and September 2026 months of funding, the Department considered 2026 interim eligibility to provide for an interim proration level of approximately 86.74%. The final proration will reflect the difference in the amount of the actual eligibility for final approved PHA subsidy requests and the Continuing Appropriations and For Other Purposes Act.

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	\$ 4,964,917,188
5	Add: Reserve for Revisions and Appeals	\$ 400,000,000
6	Total Eligibility (4 through 5)	\$ 5,364,917,188
7	Proration (3) / (6)	86.74%