



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

Special Attention of:
Public Housing Agencies
Public Housing Directors
Regional Public Housing Directors
Resident Management Corporations

Notice PIH 2025-30

Issued: December 17, 2025

Expires: This notice remains in effect until amended, superseded, or rescinded.

Subject: Implementation of Public Housing Operating Fund Shortfall Funding from Federal Fiscal Year 2025 Appropriations

I. PURPOSE

This notice implements the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4), referred to hereafter as “the Act,” which provides a \$25 million set-aside to assist public housing agencies (PHAs) experiencing or at risk of financial shortfalls. This notice provides guidance regarding eligibility, the application process, and other requirements to participate.

II. BACKGROUND

The Act provides “\$25,000,000 shall be available to the Secretary to allocate pursuant to a need-based application process notwithstanding section 203 of this title and not subject to such Operating Fund (OpFund) formula to public housing agencies that experience, or are at risk of, financial shortfalls, as determined by the Secretary. Provided that, after all such shortfall needs are met, the Secretary may distribute any remaining funds to all public housing agencies on a pro-rata basis pursuant to such Operating Fund formula.”¹

In allocating these funds, consistent with prior fiscal years, HUD will prioritize PHAs with 249 or fewer public housing units that are experiencing shortfalls and have less than 3 months of reserves before allocating funds to larger PHAs.

III. APPLICABILITY

This notice applies to all PHAs administering the Public Housing Program, including those participating in the Moving to Work (MTW) Demonstration Program. All information used to make eligibility determinations will be based on the Inventory Management System/Public and Indian Housing Information Center (IMS/PIC) and Financial Data Schedule (FDS) data as of December 12, 2025.

IV. CHANGES AND ADDITIONS

Compared to Notice PIH 2024-15, this notice includes the following changes and additions:

¹ From the Consolidated Appropriations Act, 2024 (Public Law 118-42), as continued by the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4).

- PHAs are not required to submit a Shortfall Improvement Plan (SIP) as part of 2025 shortfall grants.
- Funds for which, under prior year grants, availability was dependent on the submission of a SIP will now be made available for drawdown immediately by the PHA.
- PHAs that received 2022, 2023, or 2024 Shortfall grants are not eligible for 2025 Shortfall grants.
- The application process is streamlined, requiring only a signed application be submitted to HUD through the Public Housing Portal.
- HUD removed the mandatory process by which PHAs may correct applications found deficient by HUD.
- PHAs are not required to submit annual budgets for 2025 shortfall funding. [Notice PIH 2024-23](#) modified the 2022, 2023, and 2024 shortfall notices to rescind the requirement for PHAs to submit annual budgets in association with those grants.

V. ELIGIBILITY FOR SHORTFALL FUNDING

1. Shortfall and Eligibility

HUD uses several metrics to measure the financial health of PHAs operating public housing programs. A metric used to assess financial health is whether a PHA experiences a “financial shortfall.” For the purposes of this notice, HUD defines “financial shortfall” as an instance in which a PHA has fewer than 3 months of operating expenses held in reserve. Eligibility for shortfall funding is based on a PHA’s Monthly Operating Reserves (MOR) according to its most recently approved FDS submission (audited or unaudited).

The 2025 shortfall funding will provide funding to PHAs to increase their reserves to a level that is the equivalent of 3 months of operating expenses. Generally, PHAs with less than 3 months of operating expenses in their reserves are eligible to receive shortfall funding.

The amount of funding a PHA is eligible to receive under this set-aside is equal to the difference between the PHA’s actual MOR based on the FDS for the PHA’s Fiscal Year End (FYE) and the amount equal to 3 months of reserves for that PHA (as described below). For example, a PHA with \$220,000 of reserves and \$100,000 of monthly operating expenses, would have a shortfall eligibility of \$80,000 as $(\$100,000 \times 3) - \$220,000 = \$80,000$.

There are some limitations on the FDS data that HUD uses for this calculation:

- Because FDS data for mixed-finance public housing projects does not reflect the operation or financial condition of those projects, HUD will (for the purposes of calculating shortfall) exclude FDS data associated with mixed-finance projects.
- HUD will exclude projects in the Low Rent Public Housing (LRPH) column that use the Other Project designation from the shortfall eligibility

calculation because they are not funded under the Operating Fund Grant Program.

- PHAs that removed all Section 9 Public Housing Annual Contributions Contract (ACC) units from their public housing programs, and those that submitted requests to do so as of the date HUD pulls the IMS/PIC data are not eligible for shortfall funding.
- PHAs that are not eligible to receive Calendar Year 2025 Operating Funds will not be eligible for shortfall funding.

2. Public Housing Operating Reserves and Monthly Operating Expenses

The following table details the line items from the FDS that HUD uses to determine Public Housing Operating Reserves² as well as the calculation of monthly Operating Expenses.³

$$\text{Operating Reserves} = (\text{Restricted \& Unrestricted Assets}) - \text{Current Liabilities}$$

Restricted & Unrestricted Assets (<i>sum of</i>)	Current Liabilities (<i>difference of</i>)
Cash: Unrestricted (ITEM_111) (LRPH + 14.PHC)	Total Current Liabilities (ITEM_310) (LRPH + 14.PHC)
Cash: Tenant Security Deposits (ITEM_114) (LRPH + 14.PHC)	Current Portion Long Term Debt: Capital Projects (ITEM_343) (LRPH + 14.PHC)
Cash: Other Restricted (ITEM_113) (14.PHC)	
Cash: Restricted Payment of Current Liabilities (ITEM_115) (LRPH + 14.PHC)	
Total Receivables (ITEM_120) (LRPH + 14.PHC)	
Investments: Unrestricted (ITEM_131) (LRPH + 14.PHC)	
Investments: Restricted for Payment Current Liability (ITEM_135) (LRPH + 14.PHC)	
Prepaid Expenses and Other Assets (ITEM_142) (LRPH + 14.PHC)	
Inter-program: Due From (ITEM_144) (LRPH + 14.PHC)	
Assets Held for Sale (ITEM_145) (LRPH + 14.PHC)	

² HUD defines Public Housing Operating Reserves as the amount of current assets that are available in the Public Housing program reported in the PHA's FDS after subtracting liabilities due within the next year (i.e., current liabilities).

³ Monthly Operating Expenses are defined as the total Operating Expenses divided by the number of months in the PHA's FDS. The MOR will be calculated as the Operating Reserves divided by the Monthly Expenses.

HUD will calculate the Operating Reserves for each PHA based on the PHA's FDS submission for the following dates:

- December 31, 2023
- March 31, 2024
- June 30, 2024
- September 30, 2024

The data used to calculate the Operating Reserves is taken from the PHA's accepted audited financial submissions as of the date shown in Section 3. If an accepted audited financial submission is not available, HUD will use the accepted unaudited data. If no accepted data exists for a PHA for the period, it will not be eligible for funding under this set-aside.

Operating Reserves	Monthly Expenses
Restricted & Unrestricted Assets	Total Operating Expenses FDS 96900 (LRPH)
<i>minus</i>	<i>divided by</i>
Current Liabilities	Number of Months in FDS

VI. ELIGIBILITY OF PHAS PARTICIPATING IN THE RENTAL ASSISTANCE DEMONSTRATION

For Fiscal Year 2025, HUD will exclude projects from the shortfall eligibility calculation that underwent a partial or full Rental Assistance Demonstration (RAD) conversion before the PHA's FYE. HUD determined that excluding projects with partial RAD conversions is an appropriate adjustment to the Shortfall eligibility calculation because of the distortions such removals have on financial data. Full RAD conversions are no longer in the Public Housing Program and are ineligible for Operating Fund Grant assistance. HUD will use the RAD indicator found in the Financial Assessment Subsystem (FASS) to remove these projects from the shortfall eligibility calculation.

VII. ELIGIBILITY OF PHAS PARTICIPATING IN THE MTW DEMONSTRATION

PHAs participating in the MTW Demonstration are generally eligible to receive funding under this set-aside provided they have not utilized their MTW funding flexibility in a manner that reduced their Operating Reserves. To make this determination, HUD reviews the most recent 5 years of accepted audited/unaudited financial statements from each MTW PHA and calculates the net funds transferred into or out of the PHA's public housing program. If the net funds transferred into/out of the public housing program are less than the total amount of grant revenue reported, then the PHA will not be eligible for funding.

$$\text{Net Amount of Operating/Capital Grants Used for Low Rent Program} = \text{Total Public Housing Funding Transferred In} - \text{Total Grants and Transfers}$$

Total Public Housing Funding Transfers In <i>(sum of the most recent 5 years of accepted audited/unaudited financial statements)</i>	Total Grants and Transfers Out <i>(sum of the most recent 5 years of accepted audited/unaudited financial statements)</i>
Line 10010 (Operating Transfer In) of Low Rent Program (Project Total)	<ul style="list-style-type: none"> • Line 70600 (HUD PHA Operating Grants) of Column 14.OPS MTW Demonstration Program for Public Housing
	<ul style="list-style-type: none"> • Line 70600 (HUD PHA Operating Grants) of Column 14.CFP MTW Demonstration Program for Capital Fund
	<ul style="list-style-type: none"> • Line 70610 (Capital Grants) of Column 14.CFP MTW Demonstration Program for Capital Fund
	<ul style="list-style-type: none"> • Line 10020 (Operating Transfer Out) of LRP

VIII. APPLICATION PROCESS

Applications must be submitted via the Public Housing Portal. To initiate the shortfall application, PHAs must access the Shortfall module in the [Public Housing Portal](#). The shortfall application has been streamlined. An approvable application must be signed by the executive director either with a wet (i.e., a person uses a pen to sign their name) or an electronic signature.

HUD completed the calculations described in [Sections V, VI, and VII](#) of this notice using existing FDS and IMS/PIC data and published a list of PHAs and their eligibility amounts at [Calendar Year \(CY\) 2025 Operating Fund Grant Processing | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#). This webpage features a worksheet with each PHA's eligibility as well as a list of PHAs ineligible for shortfall funding and the reason for their ineligibility. These reasons include that the PHA:

- Does not have a 2025 SF-424 accepted by HUD
- Has a non-current FDS submission (before 12/31/2023)
- Has reserves of 3 months or more
- Plans to leave the Public Housing Program⁴
- *MTW PHA only* – Used their funding flexibility in a manner that reduced funds available in their Public Housing Program
- Has zero ACC units
- Did not receive Operating Funds for CY 2025
- Were awarded 2022, 2023, or 2024 Shortfall Funds (the three-year lockout)
- Is currently under a repayment agreement with HUD for the ineligible use of Operating Subsidy or program income

⁴ PHAs are projected to leave Public Housing if they have zero ACC units after subtracting all entered, submitted, and approved Demolition Disposition Applications.

Upon publication of this notice, HUD will email this information to ensure all PHAs are fully informed about shortfall funding. This email will contain the MOR calculation and resulting shortfall funding eligibility and any MTW transfer calculation described above.

PHAs included on the list of eligible PHAs may apply for shortfall funding in the Public Housing Portal by 5:00 p.m. Eastern Time on January 16, 2026. Guidance on using the portal is available on the [Public Housing Portal webpage](#).

IX. APPEALS

1. Appeals due to FDS Data Errors

If HUD determines that a PHA is ineligible to receive shortfall funding and the PHA believes the information HUD used to determine its eligibility or the FDS data itself is inaccurate, the PHA may submit an appeal to HUD.

2. Appeals of 3-year Lockout

PHAs that are subject to the three-year lockout and hold less than one month of operating reserves may submit an appeal, which will be subject to HUD's review and approval.

The appeal must include an improvement plan that: 1. Explains why the PHA's MOR remains below 3.0, even after receiving a previous shortfall grant; 2. Identifies the underlying causes contributing to the PHA's current shortfall status; 3. Indicates why the previous Shortfall Grant and Shortfall Improvement Plan did not successfully enhance the PHA's financial solvency; 4. Outlines the operational and/or strategic changes the PHA will implement to improve and stabilize its financial condition, including a specific timeframe for executing those changes. Such appeals will be denied to the extent HUD finds the improvement plan to insufficiently address the above noted requirements.

PHAs that receive appeal approval would have grant funds placed on "manual review," thus requiring HUD approval of any requests to draw down funds. HUD would only approve the drawdowns to the extent the PHA has met milestones they were scheduled to have met in their improvement plan. In addition to other expenditure requirements identified in this Notice, HUD will recapture any undrawn funds if the PHA falls more than 12 months behind the schedule outlined in their improvement plan.

All appeals must be submitted in the Public Housing Portal via the Shortfall Appeals form.

The PHA cannot submit an appeal past the application deadline. For example, if the PHA submits its appeal at 1:00 p.m. Eastern Time on January 16, 2026, it will be considered. If it does so at 7:00 p.m. Eastern Time on January 16, 2026, it will not be considered.

HUD requires the following documents for all appeals:

- A re-calculation of Operating Reserves that assumes HUD accepts the amount of the requested appeal
- A copy of the accepted FDS that the PHA used to calculate shortfall eligibility
- Indication of the corrected entries and financial information

- *For PHAs that will submit a revised financial statement to HUD* – written concurrence from the PHA’s auditor
- A signed statement (pdf) by the PHA’s executive director certifying the submitted information is accurate
- Improvement Plan (for appeals of 3-year lockout)
- Other documentation to support the appeal (see below)

The PHA must upload each document in the Public Housing Portal before HUD will review or process the appeal. Missing appeal documents or information will result in HUD denying the appeal. If a document is not applicable to the appeal, the PHA can upload a document with the words “Not Applicable.”

The appendix describes the four most common corrections to the FDS, along with additional documentation that HUD requires for each one. Following the appeal decision, if eligible, the PHA must apply for shortfall funding within 7 calendar days in the Public Housing Portal. Furthermore, if HUD approves the appeal, the PHA must submit a corrected FDS to FASS within 30 days after notification from HUD that the original FDS submission was invalidated. HUD may deny the application and recapture funds if the PHA does not submit its corrected FDS or if the submission cannot be accepted due to other errors.

X. AMENDMENTS TO THE FORM SF-424

In 2025, a PHA only needs to submit one SF-424 in the Public Housing Portal. This SF-424 will serve all Operating Fund Grants, including both grants made pursuant to the Operating Fund Formula (24 CFR part 990) and shortfall notice. To be eligible for 2025 shortfall funds, PHAs must have a 2025 SF-424 approved by HUD. PHAs that receive shortfall funds are not required to resubmit or revise the SF-424 previously submitted by the PHA in 2025 and accepted by HUD.

XI. PRIORITIZATION OF FUNDING

If the total amount of shortfall funding that all PHAs are eligible to receive exceeds the total amount available, HUD will not be able to fund or fully fund every eligible PHA.

Shortfall funding will be distributed across five cohorts to maximize its impact on the PHAs with the greatest need. Although PHAs of various sizes may currently be below 3.0 MOR, HUD is especially concerned with the ability of small and very small PHAs to generate resources to supplement their public housing programs.

HUD established five cohorts to distribute shortfall funding based on PHA size:

- Cohort 1: PHAs with fewer than 250 units
- Cohort 2: PHAs with at least 250 and not more than 499 units
- Cohort 3: PHAs with at least 500 and not more than 1,249 units
- Cohort 4: PHAs with at least 1,250 and not more than 6,599 units
- Cohort 5: PHAs with at least 6,600 units

Within each cohort, a PHA will be assigned a rank based on its MOR. Those with a lower MOR will receive a lower rank. HUD will fund each PHA in successive order starting with the lowest ranked PHA in Cohort 1. HUD will provide PHAs with sufficient shortfall funding to raise their MORs to 3.0. Once HUD has completely funded a cohort, HUD will allocate funding to the next cohort. This process will continue until HUD has allocated \$25 million or all PHAs have been fully funded. The last PHA funded may not receive funding for their full eligibility.

XII. ACCESS TO FUNDS

Within each cohort, HUD will provide grants in two separate funding tiers. HUD will provide Tier 1 grants to PHAs with MORs lower than zero; these grants will be the amount needed to raise the PHA's MOR to zero. HUD will make Tier 2 grants in the amount needed to raise each PHA's MOR to 3.0.

PHAs that receive shortfall funding may draw down amounts from their awards as needed to fund their immediate needs. PHAs must enter their expenditure information into the Line of Credit Control System (LOCCS) monthly to validate the expenditure. Shortfall funding grants must not be placed into the PHA's Operating Reserves.

1. Tier 1 Funding

HUD will provide PHAs with a negative MOR due to negative Operating Reserves with a single Tier 1 grant. Tier 1 funding will be sufficient to raise the PHA's Operating Reserves to zero. Tier 1 PHAs will be able to immediately draw down funding upon grant award for paying immediate needs to bring their MORs to zero.

2. Tier 2 Funding

All shortfall-funded PHAs will receive two Tier 2 grants. The Tier 2 amount will be split evenly, rounded, and provided as two grants. Rounding may create an immaterial difference in the amounts between the two grants.

HUD will make the first increment (Tier 2 Grant 1) available immediately to PHAs to draw down as needed to pay for immediate needs. HUD will make the second increment (Tier 2 Grant 2) available to PHAs to draw down upon the approval of an FDS having a MOR that is equal to 1.5 or greater. The MOR will be calculated using the methodology in [Section V](#). Note that, for the last-funded Tier 2 PHA, if that PHA receives only partial funding, an alternative requirement will apply. The last-funded PHA will have to demonstrate a MOR that is equal to the MOR achieved when adding the Tier 1 grant and the first increment of Tier 2 to its Shortfall Operating Reserves amount.

HUD will recapture any unobligated funds remaining at the end of the period of performance (see [Section XIV](#)).

XIII. ELIGIBLE USES OF SHORTFALL FUNDING

Allowable expenses for shortfall funds are the same as those for Operating Funds. If a PHA subsequently removes all units from its public housing program and proceeds to close out its public housing program and terminate its ACC with HUD, the PHA should

refer to Section 6 of [Notice PIH 2019-13, Public Housing ACC Termination and PHA Closeout](#), or [Notice PIH 2014-24, Process for Public Housing Agency Voluntary Transfers and Consolidations of the Public Housing Program](#), related to remaining Federal funds.

PHAs may provide shortfall funding to a mixed-financed owner entity according to its negotiated Regulatory and Operating Agreements (R&O). If the R&O does not require the PHA to provide shortfall funding, a PHA may elect to provide shortfall funds to the mixed-financed owner entity to pay for eligible operating expenses.

XIV. PERIOD OF PERFORMANCE

The period of performance for shortfall funds starts on the date of the award and ends 4 years from the end of the funding year during which the funds were appropriated, which is December 31, 2029. If the PHA closes out its public housing program, then the period of performance may end sooner (see Notice PIH 2019-13 or successor notice). The PHA can use shortfall funds to pay eligible Operating Fund expenses for obligations incurred during the period of performance. HUD will recapture any unobligated funds remaining at the end of the period of performance. PHAs must liquidate all obligations within 120 days of the end date of the period of performance. LOCCS will be locked 120 days after the end of the period of performance, and PHAs will not be able to draw down any additional funds. HUD will recapture any unliquidated obligations remaining 120 days after the end of the period of performance.

For PHAs that fully convert to RAD or otherwise remove all their public housing units from inventory and still have shortfall funds remaining in LOCCS:

- If the funds are locked, they will be recaptured by HUD.
- If the funds are unlocked, the PHA can use them for closeout activities until the end of the period of performance.

XV. ACCOUNTING TREATMENT

Shortfall funding activity is associated with public housing projects, and, as such, must be reported on the FDS at the project level. PHAs are required to report activities funded from Shortfall Funding in accordance with Generally Accepted Accounting Principles (GAAP).

From an accounting perspective, the PHA will recognize the shortfall funds as revenue when the PHA incurs an eligible cost which will be funded by shortfall funds, regardless of when the funds were drawn down.

XVI. LOCCS REPORTING

The PHA is required to report monthly expenditures in LOCCS. The PHA will be able to draw down an amount of funding from its shortfall funding grant equal to the total expenditures entered in LOCCS. This process will continue until the expenditure reaches 100 percent of the grant amount.

XVII. OTHER REPORTING

HUD is implementing new grant management and reporting tools, which will be rolled out for use by grantees in the near term. Grantees will be required to report on grant performance and financial activities (including vendor and cash disbursement supporting details for recipients and subrecipients) using these new tools when they are released. HUD will work with grantees to support the transition to this new reporting environment. Once implemented, timely reporting in this new environment will be mandatory. HUD reserves the right to exercise all available rights and remedies for any noncompliance with these grant management and financial reporting requirements, to include requiring 100 percent review or stopping future disbursement altogether if reporting is not timely submitted.

XVIII. FURTHER INFORMATION

PHAs should email all their questions to the appropriate [HUD field office](#).

XIX. PAPERWORK REDUCTION ACT

The Office of Management and Budget (OMB) has approved the information collection requirements contained in this accepted notice under the Paperwork Reduction Act of 1995 (44 U.S.C. § 3520) and assigned it OMB approval numbers 2577-0026, 2577-0029, 2577-0157, and 2577-0246. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB number.

XX. PENALTY FOR FALSE CLAIMS AND STATEMENTS

HUD will seek civil, criminal, or administrative action against individuals and entities that either make, present, submit, or cause to be submitted a false, fictitious, or fraudulent statement, representation, or certification. 18 U.S.C. §§ 287, 1001, 1010, 1012, and 1014 and 31 U.S.C. §§ 3729 and 3802.

XXI. DECLINE OR RETURN SHORTFALL FUNDING

PHAs can decline or return awarded shortfall funding at any time. To confirm the PHA's intent to decline or return shortfall funding, the PHA must provide a letter from the PHA's executive director to the local HUD field office stating that they no longer want to receive or they want to return shortfall funding to HUD. The signature may be wet or electronic.

XXII. SHORTFALL SF-425S AND BUDGETS

PHAs must obligate all shortfall funding by the end of the period of performance. PHAs must submit Federal Financial Reports (SF-425) for each calendar year by April 30 following the end of the calendar year. PHAs must report annually until the earlier of the end of the period of performance or when their SF-425 reports no unobligated funds, unliquidated obligations, or cash on hand. The field office may request additional documentation to verify the eligibility and timing of PHA expenses.

Annual budget submissions are not required for 2025 shortfall funding. Additionally, Notices PIH 2024-23, 2024-15, 2023-18, and 2022-17 are modified to rescind the requirement for PHAs to submit budgets annually.

XXIII. PRESIDENTIAL EXECUTIVE ACTIONS AFFECTING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Regarding current and future Presidential Actions, all recipients of federal financial assistance are responsible for making sure activities funded by federal awards comply with applicable existing and future executive orders and other Presidential Actions, as advised by the Department, whether the recipients carry out those activities directly or use contractors or subrecipients to carry out those activities. The table below highlights some of the executive orders that apply to recipients of HUD's financial assistance programs. However, the list below is not intended to include an exhaustive list of all executive orders applicable to HUD awards. Recipients may find additional executive orders at [Presidential Actions – The White House](#).

Executive Orders (EOs)	Summary
<u>EO 14219, Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative</u>	EO 14219 requires agencies to focus their limited enforcement resources on regulations authorized by constitutional Federal statutes.
<u>EO 14218, Ending Taxpayer Subsidization of Open Borders</u>	EO 14218 prohibits taxpayer resources and benefits from going to unqualified aliens.
<u>EO 14202, Eradicating Anti-Christian Bias</u>	EO 14202 establishes a taskforce to eradicate Anti-Christian bias within the U.S. Department of Justice.
<u>EO 14205, Establishment of the White House Faith Office</u>	EO 14205 establishes the White House Faith Office within the Executive Office of the President to empower faith-based entities.
<u>EO 14182, Enforcing the Hyde Amendment</u>	EO 14182 prohibits the use of Federal taxpayer dollars to fund or promote elective abortion.
<u>EO 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity</u>	EO 14173 requires Federal agencies to terminate all discriminatory and illegal preferences.
<u>EO 14168, Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government</u>	EO 14168 sets forth U.S. policy recognizing two sexes, male and female.
<u>EO 14151, Ending Radical and Wasteful Government DEI Programs and Preferencing</u>	EO 14151 requires the Director of OMB assisted by the Attorney General and the Director of the Office of Personnel Management to coordinate the termination of all discriminatory programs and activities.
<u>EO 14148, Initial Rescission of Harmful Executive Orders and Action</u>	EO 14148 revokes 67 EOs that were each issued between January 20, 2021, and January 16, 2025, and 11 Presidential memoranda issued between March 13, 2023, and January 14, 2025, to advance fairness, safety, and improve the economy.

Benjamin Hobbs
Principal Deputy Assistant Secretary

APPENDIX

The four most common corrections to the FDS are described below, in addition to the documentation required for each one.

1) Incorrect reporting of insurance proceeds. The Annual Contributions Contract (ACC) requires that insurance proceeds be used to restore, reconstruct, or repair damaged or destroyed property. The PHA must submit: (a) the total amount of proceeds; (b) the amount of proceeds used to restore, reconstruct, or repair the damaged or destroyed property; (c) information on how the PHA has accounted for the proceeds on the FDS; (d) a statement that the PHA intends to use the funds to repair or rebuild the damaged or destroyed property; and (e) any estimated costs of required repairs that have not yet been incurred.

2) Disaster funds. Some PHAs received funds or entered into agreements to repair their public housing units that were damaged in a Federal, State, or other declared disasters. The PHA must submit accepted plans, agreements, and other related documents which show that the funds are still restricted for and will be used to repair or rebuild public units damaged by a disaster and authorization of the use of Operating Reserves to fund the repairs. The PHA also needs to describe the type of disaster and the dates on which the damage occurred.

3) Non-Federal funds. Some PHAs may have received funds or grants from non-Federal sources (e.g., State governments, local governments, nonprofit organizations, or developer fees) and incorrectly reported those funds on their FDS in the Public Housing Program. When requesting an appeal, a PHA must submit evidence of the receipt of the non-Federal source. It must also document that the unspent amount is still being incorrectly included in the Operating Reserves and that the funds were improperly reported under the Public Housing Program.

Disposition proceeds. Section 18(a)(5)(B) of the U.S. Housing Act of 1937, 24 C.F.R. § 970.19, and Notice PIH 2020-23 require that PHAs use Section 18 disposition proceeds for the “provision of low-income housing or to benefit the residents of the public housing agency; or leveraging amounts for securing commercial enterprises, onsite in public housing projects of the public housing agency, appropriate to serve the needs of the residents.” To appeal, the PHA must submit the following: (a) the total amount of proceeds; (b) the PHA’s proposed use of those proceeds for Section 18(a)(5)(B) purposes; (c) information on how the PHA has accounted for the proceeds on the FDS; and (d) a statement that the PHA intends to use the funds for Section 18(a)(5)(B) purposes.