



March 4, 2024

GENERAL NEWS

HUD Issues Final Rule on Faith-Based and Neighborhood Organizations

Today in the *Federal Register*, the Department of Housing and Urban Development ([HUD](#)), in conjunction with the Agency of International Development and the Departments of Justice, Education, Homeland Security, Agriculture, Labor, Veterans Affairs, and Health and Human Services, issued a [final rule](#) titled “Partnerships With Faith-Based and Neighborhood Organizations.” According to the summary:

This final rule amends the regulations of the agencies listed above (the “Agencies”) to clarify protections for beneficiaries and prospective beneficiaries of federally funded social services and the rights and obligations of organizations providing such services. In accordance with the [Executive order of February 14, 2021](#), Establishment of the White House Office of Faith-Based and Neighborhood Partnerships, this clarification should promote maximum participation by beneficiaries and providers in the Agencies’ covered programs and activities and ensure consistency in the implementation of those programs and activities.

As you recall, on January 13, 2023, the Agencies issued a joint notice of proposed rulemaking ([NPRM](#)) proposing regulatory amendments to the December 17, 2020, [final rule](#). The Agencies received numerous public comments in response to the proposed changes included in the NPRM. Following consideration of those comments, the Agencies have reached the following decisions:

- All Agencies, except USAID, adopted the proposed requirement that organizations, whether faith-based or secular, providing social services under the Agencies’ direct federal financial assistance programs give written notice to beneficiaries and prospective beneficiaries of their rights.
- The Agencies that proposed language regarding the provision of notice to beneficiaries and prospective beneficiaries about how to obtain information on alternative providers adopted that language.
- The Agencies that proposed changes to their definitions of “indirect federal financial assistance” generally adopted their proposed language. Some Agencies made technical edits to the text of their final regulations to better align with the policy intent expressed in the joint NPRM and to promote consistency among the Agencies’ definitions of the term.
- The Agencies generally adopted their proposed language stating that they will not, in their selection of service providers, discriminate on the basis of an organization’s religious character, motives, or affiliation, or lack thereof, or on the basis of conduct that would not be considered grounds to favor or disfavor a similarly situated secular organization. Some Agencies made technical edits to their proposed language to promote consistency among the Agencies’ regulatory text and model provider notices.
- The Agencies adopted their proposed language regarding organizations’ requests for accommodations.
- As proposed, the Agencies removed from their regulations certain text on tenets-based employment conditions added in the 2020 final rule, thus restoring the longstanding text of those regulatory provisions.
- The Agencies adopted the definition of “federal financial assistance” set forth in Executive Order 13279.

You can find these decisions in Section I of the document. Section II covers cross-cutting public comments and Section III covers agency-specific issues. For further details, please refer to the [notice](#).

PH PROGRAM NEWS

HUD Updates ESSG Webinar FAQs

HUD’s Office of Capital Improvements ([OCI](#)) has [posted](#) an updated version of the frequently asked questions ([FAQs](#)) document that includes responses to the questions raised during the “Emergency Safety and Security Grant (ESSG) Application Process” webinar, held on February 1, 2024. The webinar discussed the details of Notice [PIH 2023-10](#) and provided guidance on submitting applications for the ESSG program by the deadline of March 27, 2024. Specifically, the updated FAQs document includes clarifications to question 33 on the four requirements for NSPIRE eligibility and the list of NSPIRE eligible items.

HUD Publishes PRICE Competitive NOFO

The Department of Housing and Urban Development ([HUD](#)) has [published](#) on [Grants.gov](#) a new notice of funding opportunity ([NOFO](#)) titled “Preservation and Reinvestment Initiative for Community Enhancement ([PRICE](#)) Competition.” The competitive NOFO makes available approximately \$225,000,000 to preserve long-term affordability for residents of manufactured housing or manufactured housing communities (MHCs), to revitalize or redevelop MHCs, and to primarily benefit low and moderate-income residents. The due date for applications is **June 5, 2024**. You’ll find a link to the NOFO on [this page](#) at HUD’s [Funding Opportunities](#) website.



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