PIH Alert

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GENERAL NEWS

President Releases FY 2026 Discretionary Budget Request

Last Friday, the President Trump's administration released its FY 2026 discretionary budget request, outlining significant cuts to discretionary spending. This includes reducing funding for HUD programs by over $32 billion compared to the levels enacted for FY 2025. Some key points of the proposed budget are as follows:

Rental Assistant Programs

- The budget would cut $26.72 billion (43% cut) from HUD's rental assistance programs – including the Housing Choice Voucher (HCV), Public Housing, Project-Based Rental (PBRA) Assistance, Section 202 Housing for the Elderly, and Section 811 Housing for Persons with Disabilities – by combining and block granting them into one program: State Rental Assistance Block Grants.
- The budget would impose a two-year cap on assistance for able-bodied adults and ensure the majority of rental assistance funding distributed through states is allocated to the elderly and disabled.
- The budget includes $25 million in housing grants for youth aging out of foster care.

Homeless Assistance Programs

- The budget proposes consolidating the Continuum of Care (CoC) and Housing Opportunities for Persons with AIDS (HOPWA) programs into a more targeted Emergency Solutions Grant (ESG) program, which would provide short and medium-term housing assistance, capped at two years, to individuals experiencing or at risk of experiencing homelessness.

Program Eliminations

- The budget would eliminate the HOME Investment Partnerships (HOME), Community Development Block Grant (CDBG), Family Self-Sufficiency (FSS), Fair Housing Initiatives Program (FHIP), and Pathways to Removing Obstacles (PRO) programs.
- It would also eliminate the National Fair Housing Training Academy.

Lead Hazard Reduction and Healthy Homes

- The requested budget would reduce funding for these programs arguing that they currently have unobligated balances that should be used prior to receiving further appropriations.

While the president's budget lacks legal authority, it provides a reflection of the administration's priorities.

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