

United States Senate

WASHINGTON, DC 20510

March 12, 2025

Dear Secretary Turner,

We write to you today to express our concern that Continuum of Care (CoC) funding recipients, the regional bodies responsible for the direction and coordination of local homelessness response systems, may not receive funding already appropriated by Congress. We urge you to take action to ensure the Department of Housing and Urban Development (HUD) will finish processing FY2024 funding and comply with the two-year funding cycle. We further urge you to restore HUD's technical assistance contracts that are vital to CoC recipients in smaller communities.

As you know, the CoC program is the core federal funding stream to help communities address homelessness. On January 17, 2025, HUD announced \$3.6 billion in CoC program awards for nearly 7,000 projects across the country. Most CoC awards are needed for existing projects rather than new projects, and hundreds of projects have already started their program years without any clarity on when and if HUD funds will be available. To keep the lights on, providers are now being forced to draw on lines of credit at significant cost and risk to their organizations. These projects enable homeless service providers to help veterans, families with children, youth, seniors, and vulnerable individuals access permanent and temporary housing, crisis counseling, and other supportive services.

Additionally, HUD is required by law to obligate these funds no later than 45 days after the issuance of award letters, a deadline which passed on March 4, 2025. The deadlines established by 42 U.S.C. 11382(d) are intended to prevent lapses in funding and service, for renewal projects in particular, and it seems HUD has now missed the statutory obligation deadline. The statute is extremely clear, which reads "OBLIGATION.—Not later than 45 days after a recipient or project sponsor meets the requirements described in paragraph (1), the Secretary shall obligate the funds for the grant involved."¹

In the Office of Management and Budget (OMB) Memo M-25-13, the authors made clear that grant awards that have not yet been obligated were at risk of reversal or withdrawal by the Administration. Although the memo on the federal funding freeze was later rescinded, it is evident that the Trump Administration is still withholding funds. On February 10, a federal judge in Rhode Island acknowledged that the Administration failed to comply with a January 31-issued Temporary Restraining Order (TRO)² and that funding pauses persist.³

¹ [42 USC CHAPTER 119, SUBCHAPTER IV, Part C: Continuum of Care Program §11382\(c\)\(2\)](#)

² State of New York et al v. Trump et al. Jan. 30, 2025

³ State of New York et al v. Trump et al. Feb. 10, 2025

Further, in FY2024 Appropriations, Congress granted HUD the authority for a two-year Notice of Funding Opportunity (NOFO) for CoC funding to enhance efficiency in the program. Previously, CoC funding recipients engaged in an annual funding process. Because an annual funding process can take over six months, requiring extensive community input around funding priorities, reallocation processes, and renewal evaluations, funding recipients lose critical time and resources that could otherwise be used to implement housing solutions in our communities. A two-year NOFO cycle more efficiently and effectively utilizes taxpayer dollars and staff resources. We are concerned that HUD, following the OMB memo's direction, will withdraw the two-year funding commitment in the middle of the FY2024/FY2025 funding cycle. This would create an undue burden on funding recipients and would directly work against the Trump Administration's stated goal of increasing the impact of every federal taxpayer dollar and promoting efficiency in government.

In addition, we are deeply concerned by the reports that HUD intends to slash the Office of Community Planning and Development (CPD) staffing levels by a whopping 84 percent.⁴ CPD has responsibility for managing the Continuum of Care and Emergency Solutions Grants Programs that help homeless families and individuals, as well as other programs that all communities across the country depend on. On top of these devastating staffing cuts, HUD has arbitrarily and suddenly ended contracts with several technical assistance consultants without any remedial efforts to offset the loss of these valuable services for CoCs. This will have adverse impacts on a wide range of important HUD functions— from helping people who were homeless during and after natural disasters to helping communities systematically improve how they serve homeless youth.

As you know, HUD technical assistance complements the experience and expertise of its federal workforce, and is designed to provide resources, tools, and support for recipients of HUD funding, such as state and local government grantees, public housing authorities, tribes and tribally-designated housing entities, CoCs, and nonprofits. Technical assistance for CoCs had been provided on a regional basis, but after the recent eliminations, 240 of the nation's more than 400 CoCs are no longer covered by any provider. The most adverse impacts will be felt by smaller to mid-size communities who need additional help to stand up programs, ensure compliance with grant requirements, and successfully and efficiently deploy federal funds. For example, Mississippi, Louisiana, Alabama, and Arkansas will no longer have access to any technical assistance. Coupled with planned reductions in HUD's workforce, without staff to process these grants or technical assistance to support program execution, there will inevitably be delays, reduced services, and ultimately, more individuals, families and children who end up on the streets.

Though the OMB memo is now rescinded, its publication created panic and uncertainty among CoC funding recipients actively providing critical homeless services in their communities. Large and small homeless service providers alike – across rural, suburban, and urban communities –

⁴ [Mass firings set for HUD office that funds homelessness programs: NPR](#)

are largely funded by the Continuum of Care program, and this lack of financial certainty is actively causing them to reevaluate their ability to provide services to their communities. The recent cancellation of HUD's TA offerings puts further strain on CoCs. The funding uncertainty and cancelled TA, in turn, has the potential to increase homelessness across the country.

We urge HUD to finish processing FY2024 homelessness funding, to comply with the two-year funding cycle authorized by Congress, and to restore HUD technical assistance contracts that support CoCs. We look forward to hearing from you on this matter.

Sincerely,



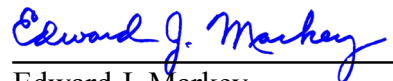
Adam B. Schiff
United States Senator



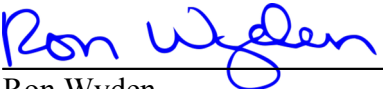
Tina Smith
United States Senator



Martin Heinrich
United States Senator



Edward J. Markey
United States Senator



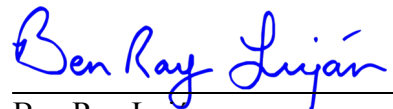
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