



The Honorable Russell Vought
Director
Office of Management and Budget
725 17th St N.W.
Washington, DC 20503

The Honorable Scott Turner
Secretary
U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

June 26, 2025

Dear Director Vought and Secretary Turner,

We are writing to urgently request information about, and action to resolve, significant delays in rental assistance payments from the Department of Housing and Urban Development (HUD) for June and July. As you know, at least 1,000 HUD project-based Section 8 subsidy payments were delayed for the month of June, and HUD's payment system is showing similar issues for July.

According to our calculations, this represents nearly 6% of HUD's nationwide Multifamily Housing assisted portfolio.¹ LeadingAge and our membership of affordable senior housing providers find this unacceptable, and we call on you to take immediate action to resolve the funding delays.

About LeadingAge

We represent more than 5,400 nonprofit aging services providers and other mission-driven organizations serving older adults that touch millions of lives every day. Alongside our members and 36 partners in 41 states, we use advocacy, education, applied research, and community-building to make America a better place to grow old. Our membership encompasses the entire continuum of aging services, including skilled nursing, assisted living, memory care, affordable housing, retirement communities, adult day programs, community-based services, hospice, and home-based care. We bring together the most inventive minds in the field to lead and innovate solutions that support older adults wherever they call home. For more information visit leadingage.org.

The HUD subsidy payments, appropriated by Congress and apportioned by the Office of Management and Budget (OMB), cover the difference between the affordable tenant rent and what it costs to operate the property, including utility bills, employee salaries, and mortgage payments for the property.

While HUD has assured us that it is working diligently to resolve the issue, some of our housing provider members have still not received their contract payment for June, and many are seeing a warning of insufficient funds for July in HUD's Tenant Rental Assistance Certification System (TRACS).

Any delinquencies on payables and mortgages by HUD-assisted properties will jeopardize housing stability for tens of thousands of residents across HUD's portfolio, will erode confidence in HUD as a

public-private partner for the housing industry, and will impact FHA lending receipts and other foundational pillars of our country's housing system.

We are requesting urgent action from HUD and OMB to explain the issues leading to the payment delay and to provide information about how the federal government plans to prevent the issue moving forward. Please address the following questions:

- **What specifically caused these large-scale payment delays, and what issues still remain as barriers to resolving all June HAP delays.**
- **When can we expect the issue to be resolved?**
- **To what extent are housing providers facing delays in July?**
- **What actions have HUD and OMB taken to help housing providers plan for potential funding shortfalls for July?**
- **Has HUD received sufficient and timely apportionment to obligate Section 8 rental assistance payments through the rest of the fiscal year?**
- **Does HUD have the staff capacity to obligate HAP contracts in a timely manner?**
- **Are any funding delays anticipated for the remainder of the fiscal year?**

Timely subsidy payments are non-negotiable. We ask that HUD and OMB commit to upholding contract agreements and pay the Congressionally appropriated project-based subsidy in a timely way. In addition, we ask that HUD communicate early and often with housing providers and other stakeholders about the funding delays and options for covering costs in the meantime.

Thank you for addressing this urgent matter and for working with us to support our vital federal housing programs.

Sincerely,



Juliana Bilowich

LeadingAge

cc:

The Honorable Susan Collins, Senate Appropriations

The Honorable Patty Murray, Senate Appropriations

The Honorable Cindy Hyde-Smith, Senate Appropriations

The Honorable Kirsten Gillibrand, Senate Appropriations

The Honorable Tom Cole, House Appropriations

The Honorable Steve Womack, House Appropriations

The Honorable Rosa DeLauro, House Appropriations

The Honorable James Clyburn, House Appropriations

The Honorable Tim Scott, Senate Banking, Housing, and Urban Affairs

The Honorable Elizabeth Warren, Senate Banking, Housing, and Urban Affairs

The Honorable Katie Britt, Senate Banking, Housing, and Urban Affairs

The Honorable Tina Smith, Senate Banking, Housing, and Urban Affairs

The Honorable French Hill, House Financial Services

The Honorable Maxine Waters, House Financial Services

The Honorable Mike Flood, House Financial Services

The Honorable Emanuel Cleaver, House Financial Services

ⁱ As of [2024](#), HUD maintained 17,700 rental assistance contracts; assuming similar numbers for 2025, the June delays impacted roughly 6% of HUD-assisted housing communities.