

Analysis: Final Fiscal Year 2026 Budget

Overview of Funding Levels for Key Homelessness and Housing Programs

Coming off a year-long continuing resolution in Fiscal Year 2025, Congress passed – and the President signed – the Consolidated Appropriations Act of 2026 ([H.R. 7148](#)) on February 3, 2026. This bill authorized funding for all key homelessness and housing programs for Fiscal Year 2026 (FY26).

In addition to providing [important fixes and safeguards](#) to the Continuum of Care Program, this bipartisan budget largely rejects the disastrous cuts and proposals presented in the [proposed President's budget](#) and provides some increases for key assistance programs.

View the Alliance's updated FY2026 budget chart for key U.S. Department of Housing and Urban Development (HUD) programs below, and review the [full text](#) of the FY26 Transportation-Housing and Urban Development (T-HUD) bill here.

Program	FY25 Final Level	FY26 House Proposal	FY26 Senate Proposal	FY26 Final Level	Percent Change from FY25-FY26
Homeless Assistance Grants	\$4.05 billion	\$4.16 billion	\$4.53 billion	\$4.42 billion	+9.1%
Tenant-Based Rental Assistance	\$36.05 billion	\$35.27 billion	\$37.35 billion	\$38.44 billion	+6.6%
Public Housing (Operating)	\$5.50 billion	\$5 billion	\$5.09 Billion	\$5.02 billion	-8.7%
Public Housing (Capital)	\$3.41 billion	\$2.29 billion	\$3.20 billion	\$3.2 billion	-6.2%
Housing Opportunities for Persons with AIDS	\$505 million	\$505 million	\$529 million	\$529 million	+4.8%
Community Development Block Grant	\$3.3 billion	\$3.3 billion	\$3.1 billion	\$3.3 billion	0.0%
Project-Based Rental Assistance	\$16.89 billion	\$17.13 billion	\$17.40 billion	\$18.14 billion	+7.4%
HOME Investment Partnerships	\$1.25 billion	\$0	\$1.25 billion	\$1.25 billion	0.0%
Indian Housing Block Grant	\$1.11 billion	\$1.11 billion	\$1.11 billion	\$1.11 billion	0.0%

Native Hawaiian Housing Block Grant	\$22 million	\$18 million	\$22 million	\$22.3 million	+1.4%
Supportive Housing for the Elderly (Section 202)	\$931 million	\$950 million	\$972 million	\$1.03 billion	+10.6%
Supportive Housing for Persons with Disabilities (Section 811)	\$256 million	\$262 million	\$265 million	\$287 million	+12.1%
Fair Housing and Equal Opportunity	\$86 million	\$29 million	\$86.4 million	\$86.4 million	+0.5%
U.S. Interagency Council on Homelessness	\$4 million	\$0	\$2 million	\$3 million	-25.0%

Detailed Analysis

Overall, the bill provides **\$77.3 billion** for programs funded by the U.S. Department of Housing and Urban Development (HUD) in FY26, an **increase of more than \$7.2 billion** over the previous fiscal year. A summary of what is included in the bill, including key provisions, is outlined below.

Homeless Assistance Grants

The final FY2026 T-HUD bill provides **\$4.417 billion** for Homeless Assistance Grants (HAG), an overall increase of \$366 million. This includes **\$290 million** for the Emergency Solutions Grants (ESG) program, level funding from the previous year, and **\$4.01 billion** for the Continuum of Care (CoC) program, including a \$52 million set aside for set-aside for projects to assist survivors of domestic violence, dating violence, sexual assault, or stalking. The bill also includes **\$107 million** for the Youth Homelessness Demonstration Program (YHDP) and \$10 million for the National Homeless Data Analysis Project.

Although there is an increase in the amount of funding available for the CoC Program in FY26, **there will likely be a gap** between the amount available and the amount needed to cover eligible renewals, including more than 200 projects awarded originally under the Special Notice of Funding Opportunity (NOFO) which were not eligible for renewal in FY25.

This bill includes considerations for the CoC Program for both [FY25 and FY26](#). Similar to last fiscal year, HUD may still provide one-year transition grants to CoCs to allow for a project to transition from one program component to another while allowing time to close out current program activities. In addition, program income continues to be an eligible source of match. In response to the concerns elevated by advocates regarding the competitive process, Congress also included the following provisions:

- **For FY2025 awards**, this bill requires HUD to renew CoC grants expiring in the first quarter of 2026 (January-March) for 12 months. It also creates a timeline for HUD to renew expiring

grants throughout the year, if HUD has not otherwise issued awards. Projects awarded in this manner and under this provision cannot be penalized or deemed ineligible for any funding opportunity for FY2025 or FY2026.

- **For FY2026 awards**, HUD must keep Tier 1 funding—the amount of funding that is awarded based on CoC priorities—at **60 percent** or higher. Further, HUD is directed to release the FY26 Notice of Funding Opportunity (NOFO) for the CoC Program by June 1, 2026, and make awards by December 1, 2026.

Tenant Based Rental Assistance

The final FY26 T-HUD bill increases funding for Tenant-Based Rental Assistance (TBRA) programs to **\$38.4 billion**, approximately \$2.39 billion more than the funding provided the previous fiscal year. In addition to ensuring that TBRA programs can maintain the number of households served, the bill also increases funding for the Tenant Protection Voucher (TPV) program to approximately **\$601 million**, an increase of \$264 million. The bill specifically allows Public Housing Authorities (PHAs) to use these TPVs to help transition families currently receiving assistance through the Emergency Housing Voucher (EHV) program to new assistance. Finally, appropriators also provided **\$15 million** in funding for the Veteran Affairs Supportive Housing (VASH) program, and **\$10 million** for the Tribal-VASH program, an increase of \$2.5 million from the previous year. Family Unification Program (FUP) vouchers received level funding, **\$30 million**.

Section 202 and Section 811

The Supportive Housing for the Elderly program (Section 202) received **\$1.03 billion**, a \$100 million increase from the previous fiscal year. This funding includes \$122 million for service coordinators, who provide supportive services for older adults living in Section 202 properties.

In addition, the bill provides **\$287 million** for the Housing for Persons with Disabilities program (Section 811) in FY26, an increase of \$31 million. These programs provide for the development and operation of affordable, accessible rental homes for older adults and people with disabilities.

Fair Housing

The final FY26 T-HUD bill provides **\$86.4 million** for fair housing activities within HUD. This amount includes \$26.4 million for the Fair Housing Assistance Program (FHAP) and \$56 million for the Fair Housing Initiatives Program (FHIP). Congress also included \$1 million to allow for creation, promotion, and translation of housing materials and other resources for people with limited English proficiency.

Housing Opportunities for Persons with AIDS

The Housing Opportunities for Persons with AIDS (HOPWA) program received **\$529 million** in FY2026, an increase of \$24 million from the previous fiscal year.

Other Provisions

The final FY26 T-HUD spending bill reiterates HUD's obligation to conduct rulemaking in accordance with existing law and regulations, "including providing for public participation and not less than 60 days for the submission of written comments" for proposed rules. Further, HUD must notify the House and Senate Appropriations Committees three full business days before making, withdrawing, terminating, or rescinding any grant award.