

Eligibility Requirements for Applicants and Recipients of HUD's Financial Assistance Programs

1. Unique Entity Identifier and Active Registration with [Sam.gov](https://sam.gov).

Unless subject to the exceptions in 2 CFR 25.110, each applicant for a HUD grant, cooperative agreement, loan, and other types of Federal financial assistance as defined in [§ 25.406](#) must:

- (a) Be registered in SAM prior to submitting an application or plan;
- (b) Maintain an active SAM registration with current information, including information on a recipient's immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded a Federal contract or grant within the last three years, if applicable, at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency; and
- (c) Provide its unique entity identifier in each application or plan it submits to HUD.

2. Outstanding Delinquent Federal Debts.

It is HUD policy, consistent with the purposes and intent of 31 U.S.C. 3720B and 28 U.S.C. 3201(e), that applicants with outstanding delinquent federal debt or judgment liens against the debtor's property will not be eligible to receive an award of funds, unless:

- (a) A negotiated repayment schedule is established and the repayment schedule is not delinquent; or
- (b) Arrangements satisfactory to HUD are made prior to the award of funds by HUD.

If satisfactory arrangements cannot be completed within 90 days of notification of selection, HUD will not make an award of funds to the applicant, and instead offer the award to the next eligible applicant. HUD may act earlier than the above stated 90 days to ensure, in HUD's determination, that the funds can be obligated in a timely manner. Applicants selected for funding, or awarded funds, must report any changes in status of current agreements covering federal debt. HUD may withhold funding, terminate an award, or seek other remedies from a grantee if a previously agreed-upon payment schedule has not been followed or a new agreement with the federal agency to which the debt is owed has not been signed.

HUD reviews information available through the "Do Not Pay" website, an OMB-designated repository of government-wide eligibility qualification and financial integrity information.

3. Debarments and/or Suspensions.

Under 2 CFR part 2424, no award of Federal funds may be made to applicants that are debarred; suspended; proposed for debarment under 48 CFR part 9, subpart 9.4; or voluntarily excluded from doing business with the Federal government.

4. Mandatory Disclosure Requirement.

Each recipient or applicant for a Federal award must disclose in writing credible evidence, to the Office of Inspector General (OIG) and to the awarding Program Office at HUD, whenever, in

connection with the award, performance, or closeout of this award or any subaward agreement thereunder, the recipient or applicant has credible evidence that a principal, employee, agent, subawardee, subrecipient, or subcontractor of the recipient or applicant has committed: (a) violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations potentially affecting the Federal award, or (b) a violation of the civil False Claims Act (31 U.S.C. 3729-3733). This disclosure must be made at the time of application if credible evidence of such a violation exists at that time, or if the applicant or recipient becomes aware of the violation after submitting the application within ten days after learning of credible evidence of the violation. Recipients that have received a Federal award including the terms and conditions outlined in Appendix XII to 2 CFR part 200—Award Term and Condition for Recipient Integrity and Performance Matters are required to report certain civil, criminal, or administrative proceedings to SAM. Failure to make required disclosures as provided in 24 CFR 200.113 can result in any of the remedies described in § 200.339. Remedies for noncompliance, including suspension or debarment. (See also [2 CFR parts 180](#) and 2424, [31 U.S.C. 3321](#) note; and 41 U.S.C. 2313.)

5. Pre-selection Review of Performance.

If an applicant has delinquent federal debt of the type described in 31 U.S.C. 3720B, a judgment lien against the debtor's property, or is excluded from doing business with the Federal government, the applicant may be ineligible for an award. In addition, before making a Federal award, HUD reviews information available through any OMB-designated repositories of government-wide eligibility qualification or financial integrity information, such as Federal Awardee Performance and Integrity Information System (FAPIIS), and the "Do Not Pay" website. Before making a Federal award, HUD will consider all of the information available through FAPIIS with regard to the applicant and any immediate highest-level owner, predecessor (i.e., a non-Federal entity that is replaced by a successor), or subsidiary, identified for that applicant in FAPIIS, if applicable. At a minimum, the information in the system for a prior Federal award recipient must demonstrate a satisfactory record of executing programs or activities under Federal grants, cooperative agreements, or procurement awards, and integrity and business ethics. HUD may make an award to a recipient who does not fully meet these standards, if it is determined that the information is not relevant to the current award under consideration or there are specific conditions that can appropriately mitigate the effects of the non-Federal entity's risk in accordance with 2 CFR 200.208. HUD may consider other public sources such as newspapers, Inspector General or Government Accountability Office reports or findings, or other complaints that have been proven to have merit. Applicants may review and comment on any information in FAPIIS through SAM. HUD reserves the right to:

- (a) Deny funding, or with a renewal or continuing award, consider suspension or termination of an award immediately for cause;
- (b) Require the removal of any key individual from association with management or implementation of the award;
- (c) Make provisions or revisions regarding the method of payment or financial reporting requirements; and
- (d) Impose other specific conditions that can appropriately mitigate the effects of the non-Federal entity's risk in accordance with 2 CFR 200.208.

6. Sufficiency of Financial Management System.

HUD will not award or disburse funds to applicants that do not have a financial management system that meets Federal standards as described at 2 CFR 200.302. HUD may arrange for a survey of financial management systems for applicants selected for award who have not previously received Federal financial assistance, where HUD Program officials have reason to question whether a financial management system meets Federal standards, or for applicants considered high risk based on past performance or financial management findings.

7. False Statements.

A false statement in an application is grounds for denial or termination of an award and may result in criminal, civil, and/or administrative sanctions, including fines, penalties, and imprisonment. It is critical that grantees are truthful in all communications with HUD and that a false statement in an application or any other communication with HUD is grounds for denial or termination of an award and may result in criminal, civil, and/or administrative sanctions, including fines, penalties, and imprisonment.

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200.415, specifically lists the criminal false statements and civil and administrative false claims act statutes (“U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812.”)

8. Prohibition Against Lobbying Activities.

Applicants are subject to the provisions of Section 319 of Public Law 101-121, 31 U.S.C. 1352, (the Byrd Amendment), and 24 CFR part 87, which prohibit recipients of federal awards from using appropriated funds for lobbying the executive or legislative branches of the Federal government in connection with a Federal award. All applicants must submit with their application the signed certification regarding lobbying included in the Application download from [Grants.gov](https://www.grants.gov). In addition, applicants must disclose, using Standard Form LLL (SF-LLL), “Disclosure of Lobbying Activities,” any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, members of Congress, or congressional staff regarding specific awards. Federally recognized Indian tribes and tribally designated housing entities (TDHEs) established by Federally recognized Indian tribes as a result of the exercise of the tribe’s sovereign power are excluded from coverage of the Byrd Amendment, but state-recognized Indian tribes and TDHEs established only under state law shall comply with this requirement.