

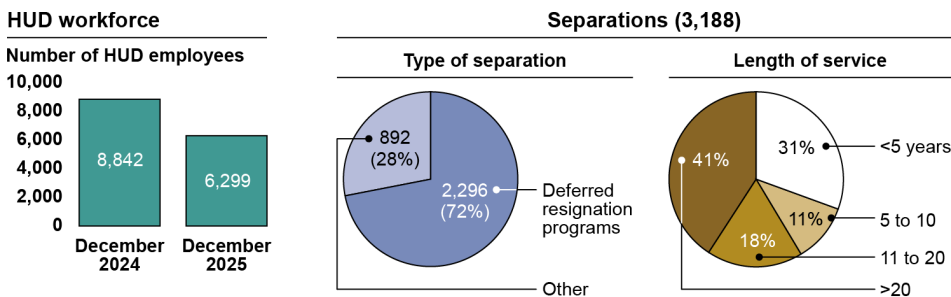
A report to congressional requesters

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What GAO Found

The Department of Housing and Urban Development (HUD) reduced its workforce by 29 percent in 2025 and modified the types of programs it funds in response to presidential directives and executive branch guidance. HUD largely achieved workforce reductions through deferred resignation programs. Over half the employees who separated had at least 10 years of service at HUD, including 41 percent with more than 20 years of service. HUD did not publish notice of any reorganization plans that led to field office closures in 2025, though in 2026 it announced plans to consolidate one field office into a nearby regional office.

Workforce Changes at the Department of Housing and Urban Development (HUD) in 2025



Source: GAO analysis of Office of Personnel Management federal workforce data. | GAO-26-108442

Note: Percentages may not sum to 100 due to rounding.

About half of HUD's 68 active grant programs made new awards in fiscal year 2025, but the median value of those awards was higher than in previous years. HUD also terminated about 21 percent of its active contracts in 2025, valued at about \$367 million. Most terminated contracts involved professional or IT services.

Representatives of 20 stakeholder organizations GAO interviewed—including fair housing grantees and agencies, public housing agencies, and Section 8 project-based rental assistance property managers—reported confusion, delays, and operational disruptions following HUD's changes. Nearly all said that experienced points of contact had left, making it harder to navigate HUD programs. Fair housing stakeholders reported reducing services or staffing during monthslong funding gaps. Stakeholders also reported delays with physical inspections of HUD-assisted properties.

Since January 2025, HUD has reported launching initiatives aimed at increasing efficiency and streamlining operations. For example, HUD reported developing a unified grants system to standardize grant administration and a project voucher initiative to automate aspects of rental assistance processing. HUD did not respond to GAO's requests to discuss these initiatives or provide supporting documentation. As a result, Congress and the public have limited information on the status or effectiveness of these initiatives.

Why GAO Did This Study

HUD administers programs related to housing assistance, community development, and fair housing. To carry out these programs, HUD headquarters and field staff work with public housing agencies, private property owners, nonprofit organizations, and other stakeholders.

Executive orders and other actions issued in 2025 called for workforce and program changes at HUD. GAO was asked to examine the effects of these changes. This report describes (1) changes HUD made to its workforce, field office structure, and grant and contract spending in 2025; (2) effects of those changes on selected HUD functions reported by housing stakeholders; and (3) steps HUD has publicly reported to manage the changes.

HUD did not respond to GAO's requests for information throughout the audit. GAO analyzed publicly available 2025 data on HUD's workforce, terminated contracts, and grant spending. GAO selected three HUD functions for review, chosen to reflect a mix of funding levels and other criteria: (1) enforcement of the Fair Housing Act and Violence Against Women Act of 1994, (2) administration of the Section 8 Project-Based Rental Assistance Program, and (3) coordination of inspections of HUD-assisted properties.

GAO also conducted four site visits and interviewed representatives of a nongeneralizable selection of 20 local and national housing organizations, including public housing agencies and fair housing organizations. GAO also reviewed court documents and publicly available data, and agency documentation related to HUD's workforce and efficiency planning.