



OFFICE OF LEAD HAZARD CONTROL
AND HEALTHY HOMES

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-3000

POLICY GUIDANCE ISSUANCE

POLICY GUIDANCE NUMBER: 2024-02

DATE ISSUED: January 25, 2024

SUBJECT: Restrictions on the Use of Lead Hazard Reduction funds

APPLICABILITY: All Office of Lead Hazard Control and Healthy Homes Grant Programs

RELATED GUIDANCE: All Notices of Funding Opportunity

COMMENTS:

This Policy Guidance is being issued to reiterate the restrictions imposed on grantees from conducting lead hazard reduction work in units that fall outside the scope of target housing or are otherwise not allowable costs, as defined by the Residential Lead-Based Paint Hazard Reduction Act and the Notices of Funding Opportunity.

Restrictions on the use of Lead Hazard Reduction grant funds include:

1. Lead hazard evaluation or reduction activities in federally owned housing, public housing, or project-based Section 8 housing (note that tenant-based Section 8 housing **IS** eligible);
2. Lead hazard evaluation or reduction activities in rental housing covered by a pending or final HUD, EPA, and/or Department of Justice settlement agreement, consent decree, court order or other similar action regarding violation of the Lead Disclosure Rule (24 CFR part 35, Subpart A, or the equivalent 40 CFR part 745, subpart F), or by HUD regarding the Lead Safe Housing Rule (24 CFR part 35, subparts B–R);
3. Demolition of housing units or detached buildings as a means of lead hazard reduction and/or the replacement of such structures; complete or gut rehabilitation;
4. Non-target housing. The term “target housing” means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities or any 0-bedroom dwelling (unless any child who is less than 6 years of age resides or is expected to reside in such housing); and

5. Other prohibited activities:

- a. Community-wide blood lead testing.
- b. Ceramic bathtubs or tiles.
- c. Chelation or other medical treatment costs, including **ongoing** case management, for children with elevated blood lead levels (EBLs); however, testing the blood-lead levels of children under the age of 6 residing in priority housing before lead-based paint hazard reduction activity has been conducted continues to be allowed, and testing their blood-lead levels afterward is allowed.

In addition, potential units must be eligible at the time lead hazard reduction grant assistance is provided; therefore, using lead hazard reduction funds in commercial development projects, to convert certain properties (e.g., mill or factory conversions) to residential dwellings, is prohibited. However, the legal opinion in PGI 98-02 permitting grantees to undertake lead hazard control work while units are in public ownership, before the sale or transfer, remains in place and with specific applicable criteria.

Should you have any questions, please contact your Government Technical Representative.