



**Josh Kaul**  
Wisconsin Attorney General

**P.O. Box 7857**  
**Madison, WI 53707-7857**

---

## **NEWS FOR IMMEDIATE RELEASE**

Dec. 19, 2025

### **AG Kaul and Coalition Secure Preliminary Injunction Blocking HUD Changes That Would Have Left Thousands Without Housing**

MADISON, Wis. – A federal judge today ordered the U.S. Department of Housing and Urban Development (HUD) to preliminarily halt changes to its Continuum of Care grant program — the largest resource for federal homelessness assistance funding — after a coalition of states argued in court that the changes were illegal and would leave tens of thousands of people around the country without a place to live.

“These lawless and cruel changes shouldn’t have been seriously considered, much less made,” said AG Kaul. “With this order, they are now blocked.”

In Wisconsin, HUD’s policy shift could have put more than 1,600 individuals or households out of their current housing programs, now or in the coming years. Further, more than 350 individuals or households statewide receiving housing support due to domestic violence could have been immediately at risk of homelessness as a result of the policy shift.

In the order orally granting a preliminary injunction, the judge barred HUD from implementing its proposed changes to the Continuum of Care program and directed HUD to process applications under the terms that existed prior to its unlawful program changes.

AG Kaul joined a coalition in [suing HUD in November](#) for illegally upending support for people experiencing housing insecurity or homelessness by abruptly rescinding a necessary program notice, replacing it with another that limited access to long-term housing and other services. The [lawsuit](#) says HUD drastically changed its Continuum

of Care grant program in violation of congressional intent by sharply reducing funding for permanent housing and putting unlawful conditions on access to the funding.

The illegal conditions include penalizing housing providers that recognize transgender identity and gender diversity. HUD also added illegal conditions to punish providers in localities that do not enforce strict anti-homeless laws and to disadvantage programs that address mental disabilities and substance use disorders. Those conditions go against HUD's previous guidance and were not authorized by Congress. The program notice was also issued well after HUD's congressionally-mandated deadline for making program changes, virtually guaranteeing gaps in funding.

In their complaint, the coalition argued that HUD's actions were arbitrary and capricious, as HUD made no effort to explain the abandonment of its own longstanding policies, failed to reckon with many consequences of abruptly terminating program funding, and violated the law by not following the timeline Congress set for this program—all without receiving congressional authorization for these new conditions. The plaintiffs also argued that HUD violated its own regulations by not engaging in rulemaking before issuing the changes.

Joining AG Kaul in filing the lawsuit are the attorneys general of Arizona, California, Colorado, Connecticut, Delaware, the District of Columbia, Illinois, Massachusetts, Maryland, Maine, Michigan, Minnesota, New Jersey, New York, Oregon, Rhode Island, Vermont, Washington, and the governors of Kentucky and Pennsylvania.