

logo not found or type unknown

Bryan Vows Appeal of HUD's VIHFA Suspension, Calls Action an Overreach and Questions Timing

Governor Albert Bryan Jr. says the administration will appeal HUD's suspension of VIHFA from future federal transactions, calling the action an overreach while acknowledging agency shortcomings and questioning the timing and release through Fox News.

Federal / **Published On July 20, 2026 02:39 PM /**

Janeke Simon **July 20, 2026**

Image not found or type unknown



Governor Albert Bryan Jr. By. GOV'T HOUSE.

Governor Albert Bryan Jr. said Monday that his administration will appeal the federal government's suspension of the V.I. Housing Finance Authority from future procurement and nonprocurement transactions, calling the action an overreach and questioning why his administration received no advance warning.

Current federal funds are not at risk. However, VIHFA's participation in future transactions has been suspended not only by the U.S. Department of Housing and Urban Development, but "throughout the Executive Branch of the Federal Government," according to HUD's suspension letter.

"We'll be appealing that, and then getting to the bottom of what exactly is generating these kinds of harsh motives in the Virgin Islands," Mr. Bryan said during Monday's Government House press briefing.

The suspension, first reported by Fox News, followed a critical report issued earlier this year by HUD's Office of Inspector General, the federal fraud conviction of VIHFA's former chief operating officer and a substantial gap between the authority's planned housing projects and those implemented.

HUD also said it intends to investigate "potential offenses committed by VIHFA, its officers, directors and/or employees."

Bryan Says Administration Received No Warning

Mr. Bryan expressed surprise at the action, saying neither he nor his administration had been notified that a suspension was under consideration.

"It seems like much of an overreach from my perspective," he said.

"It's kind of a shock today to read a letter coming to the HFA from an individual who I've never met, never had a conversation with, never got a warning letter."

The governor described the reporting surrounding the suspension as "sensationalized" and called HUD's letter "unprofessional."

He said many of the deficiencies identified in the inspector general's report originated "over two, three years ago" and had since been "addressed or corrected" by VIHFA officials.

Mr. Bryan maintained that operations at the authority had proceeded more smoothly during the past two years.

"I don't go and visit them anymore because we don't have any problems."

When reminded that portions of the [HUD inspector general's report](#) were based on investigative work continuing through March 2025, the governor insisted that VIHFA had already responded to the concerns.

"There are a lot of protocols that have been put in place," he said.

Governor Points to Match Requirements and Recovery Costs

Mr. Bryan also pushed back against criticism of operational inefficiencies and delays affecting planned hurricane-recovery projects. He said a reduction in the territory's required funding match had only recently been approved.

"It was only until a year before last when we got the actual 2% reduction – we didn't even have money for the match."

The governor said mainland states can generally pay project costs upfront and later seek reimbursement from the Federal Emergency Management Agency. The Virgin Islands, he argued, has had to follow a more complicated process.

“We have had to do it backwards; we had to go and fight for the money, send out the bids, and then fight to get FEMA to pay the bills and still do the cost reasonableness.”

“If we had \$25 billion to do the recovery on day one, it might have been finished by now,” Governor Bryan declared.

He also cited inflation and the territory’s already elevated construction costs as significant obstacles to completing recovery projects.

Bryan Acknowledges VIHFA Has Fallen Short

Despite objecting to HUD’s action, Mr. Bryan acknowledged that VIHFA had not reached the level of performance he expected.

“I will be the first to say I’ve never been a big fan of the HFA,” he said.

The governor nevertheless argued that the authority had made substantial progress, pointing to projects it had completed or was currently undertaking.

He listed “the reconstruction of the Magen’s Bay junction, the construction of Donoe now going on, the Walter IM Hodge [project] which we just recently finished...and also right now where we’re working on the D. Hamilton Jackson Terraces” as examples of VIHFA’s work.

Mr. Bryan said the administration would file an appeal during the allotted 60-day period. He also questioned why the action became public at the beginning of early voting and why it was initially reported by Fox News.

“I don’t know if this is a political stunt today” due to the start of early voting “or some other action,” the governor said.

“Why does the press have it? Why does Fox News in particular have it, and why are we only hearing about this now?” he questioned.

Mr. Bryan promised to “do some real investigation into what is going on.”

While VIHFA’s existing federal funds remain unaffected, the authority is currently barred from future procurement and nonprocurement transactions throughout the federal executive branch as HUD pursues its investigation and the administration prepares its appeal.