

The City of Georgetown Housing Authority
Georgetown, South Carolina
HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN

Adopted by PHA Board of Commissioners

Resolution No.: _____

Date of Adoption: _____

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Housing Choice Voucher Program Administrative Plan Implementation Schedule

Staff Training Date, if needed: _____

Distribution to Functional Areas

**This Plan has been distributed to staff in the following
departments:**

- ☐ **SECTION 8 MANAGERS**
- ☐ **SECTION 8 ADMISSIONS/OCCUPANCY STAFF**
- ☐ **FINANCIAL STAFF**
- ☐ **REASONABLE RENT DETERMINATION (RRD) STAFF**
- ☐ **INSPECTORS**
- ☐ **OTHER: SPECIFY: _____**

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CHAPTER 1. Introduction and Statement of Approach and Objectives to Administer the Section 8 Programs

A. Background

The City of Georgetown Housing Authority was established in 1972, and empowered with the responsibility and authority to maintain the Public Housing Program for the City of Georgetown, South Carolina. The Section 8 Program was created by the Housing and Community Development Act of 1974 and amended by the Housing and Community Development Act of 1981 and the Quality Housing and Work Responsibility Act of 1998.

The Section 8 Program was established by The City of Georgetown Housing Authority (hereinafter referred to as PHA [Public Housing Authority] or Housing Authority), when it received the first Annual Contributions Contract (ACC) under the Section 8 Existing Housing Assistance Payments Program.

Administration of the Section 8 Housing Programs and the function and the responsibilities of the PHA staff shall be in compliance with the Personnel Policy of the PHA, the Fair Housing regulations, HUD regulations/notices, the Section 8 Administrative Plan, and applicable Standard Operating Procedures.

All federal, state, and local housing laws will be followed and the PHA will comply with the City of Georgetown's Consolidated Plan and their own Agency Plan.

B. Housing Authority Mission Statement and Section 8 Program Objectives

1. The mission statement of the PHA is:

It is the policy of the Georgetown Housing Authority to comply fully with all federal, state, and local nondiscrimination laws; the Americans with Disabilities Act; and the United States Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the grounds of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Georgetown Housing Authority housing programs.

To further its commitment to full compliance with applicable Civil Rights laws, the Georgetown Housing Authority will provide federal/State/local information to applicants for and participants in the Section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the Georgetown Housing Authority office. In addition, all appropriate written information and advertisements will contain the appropriate Equal Opportunity language and logo. The Georgetown Housing Authority will assist any family that believes they have suffered illegal discrimination by providing them with copies of the housing discrimination form. The Georgetown Housing Authority will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

2. The following objectives of the Section 8 Programs support the above mission statement:
 - a) To provide decent, safe, and sanitary living conditions;
 - b) To provide improved living conditions for very low-income families while maintaining their rent payments at an affordable level;
 - c) To promote personal, economic and social upward mobility to assist residents to make the transition from subsidized to non-subsidized housing; and
 - d) To provide an incentive to private property owners/landlords to rent to low-income families by offering timely assistance payments and excellent service.

C. Legal Jurisdiction

The area of operation of the PHA is geographically defined as Georgetown County, South Carolina.

D. Purpose of the Administrative Plan

The purpose of the Administrative Plan is to establish local policies for administering the program in a manner that is consistent with HUD requirements and the local goals and objectives as set forth in the PHA's Agency Plan.

The Administrative Plan, hereinafter referred to as the Plan, covers both the admission and continued participation in the Section 8 program. The PHA is responsible for complying with all changes in HUD regulations pertaining to these programs. Revisions to the Plan will be made as needed to comply with new HUD requirements or changes. If such changes conflict with this Plan, HUD regulations will have precedence.

The Plan is a supporting document to the PHA's Agency Plan and shall be available for review as required by 24 CFR 903. Pursuant to 24 CFR Part 982.54 the Plan and any revisions shall be presented to the PHA Board of Commissioners for formal adoption and a copy provided to HUD.

E. Non-Discrimination

The PHA shall not discriminate because of race, color, sex, religion, creed, national origin, age, familial status, disability/handicap, sexual orientation, gender identity, or marital status in the performance of its obligations in any program under its jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended.

The PHA shall not deny admission to an applicant or participant who is or has been a victim of domestic violence, dating violence, or stalking, if the applicant otherwise qualifies for admission or assistance.

To further the commitment to full compliance with applicable Civil Rights laws, the PHA will provide information to Section 8 applicants and participants with regard to housing discrimination. Information and Discrimination Complaint Forms will be made part of the briefing packet.

Posters and housing information with the Equal Opportunity Housing logo shall be displayed in locations through the PHA office in such a manner as to be easily readable from a wheelchair.

The PHA's Section 8 office space is accessible to persons with disabilities. The TDD/TDY telephone number is posted to facilitate accessibility for the hearing impaired.

F. Service Policy/Accommodations

It is the policy of the PHA to be service-directed in the administration of its housing programs, and to exercise and demonstrate a high level of professionalism while providing housing services.

Policies and practices are designed to provide assurances that all persons with disabilities are provided reasonable accommodation so that they may fully access and utilize the housing program and related services. The availability of specific accommodations may be made known by including notices on forms and letters to all families, and all requests may be verified so that these needs can be properly accommodated. All mailings may be made available in an accessible format upon request, as a reasonable accommodation. Organizations that provide assistance for hearing-impaired and sight-impaired persons may be utilized.

G. Translation of Documents

In determining whether it is feasible to translate documents into other languages or Braille for the blind, the PHA will consider the following factors:

1. The number of applicants and participants who do not speak English and speak another language, or need Braille for adequate understanding.
2. The cost per client of translating the documents into another language or into Braille.
3. The availability of translation and/or interpreter services in the PHA's jurisdiction.
4. At a minimum, the PHA will prepare the following information in a clearly written format:
 - a) Marketing and informational material;
 - b) Application process information;
 - c) The application;
 - d) All form letters and notices to the applicant/participant;
 - e) The PHA's general policy regarding reasonable accommodation;
 - f) New participant orientation materials;
 - g) The voucher and any applicable program rules;
 - h) Information on opening, closing, and up-dating the waiting list; and
 - i) All information related to applicant/participant rights (informal reviews/hearings, etc.).

Documents intended for use by applicants and participants will be simply and clearly written to enable applicants with learning or cognitive disabilities to understand as much as possible. Sign language interpreters may be provided for hearing-impaired applicants/participants if requested as a reasonable accommodation. For applicants/participants unable to read, intake/occupancy staff will read and explain orally any documents they would normally provide to an applicant/participant to be read or filled out. Staff will assist in completing forms and other required documents for persons unable to write.

H. Privacy Rights

Applicants and participants, at time of application, admission, annual or interim reexamination, will be required to sign the form HUD 9886, Authorization for Release of Information/Privacy Act Notice, which is valid for fifteen (15) months from the date of signature.

The PHA shall notify applicants and participants assisted under Section 8 of the U. S. Housing Act of 1937 of their rights under the Violence Against Women Act (VAWA), including their right to confidentiality and the limits thereof, and to owners and managers of their rights and obligations under the VAWA.

The PHA policy regarding release of information is:

1. The PHA will not release information to other persons or entities unless the applicant/participant has signed a release of information authorizing the PHA to release specific information to the person(s) or entity.
2. The PHA may release information on amounts owed for claims paid and not reimbursed by the client.
3. Upon receiving a written request from a prospective owner/landlord, the PHA must release the voucher holder's current and prior address, if known. The PHA must also release the names and addresses of the current and prior owner/landlord, if known.
4. The PHA may release information as required by law to a federal or state agency, law enforcement personnel, or if the PHA has received a court subpoena.
5. The PHA must limit use and disclosure of family information obtained through release and consent to purposes directly connected with the program administration (i.e. an adult's EIV data will be released only to that adult. A minor's EIV data may be released to his/her parent.).
6. The PHA shall retain in confidence all information pursuant to Violence Against Women Act including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking.
7. The information shall neither be entered into any shared database nor be provided to any related entity, except:
 - a) To the extent that disclosure is requested or consented to in writing by the individual; or
 - b) Required for use in an eviction proceeding of an abuser, stalker, or perpetrator of domestic violence; or
 - c) Is otherwise required by applicable law

I. Rules and Regulations

All issues not addressed in this document related to tenants, participants and owners/landlords are governed by the Code of Federal Regulations (24 CFR), HUD Guidebook 7420.10G, HUD Memos, Notices and Guidelines or other applicable law, and the Section 8 Programs Standard Operations Procedures.

J. Section 8 Programs Administered

The following is a list of Section 8 vouchers and programs offered by the PHA:

Tenant Based Vouchers

K. Staffing Positions

The following are the positions/titles of staff members who are responsible for the implementation of the Section 8 Programs:

Executive Director

Section 8 Coordinator

L. Customer Relations

The PHA considers all families and owners as its customers. The goal of the PHA is to respond promptly to the needs of its customers. All contact with the customer and the general public will be handled in a professional and courteous manner. The PHA requires complaints to be submitted in writing, except for emergency Housing Quality Standards (HQS) deficiencies.

M. Code of Conduct

In accordance with the Annual Contributions Contract, Section 19, Conflict of Interest and 24 CFR 982.161, the PHA has established a written code of conduct for conducting business in accordance with core values and ethical standards. (See PHA's Conduct Standards Policy.)

The PHA shall adhere to its Code of Conduct and shall sanction and/or terminate any officer, employee, or agent for violations consistent with applicable state or local law.

The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.

CHAPTER 2. Outreach to Families and Owners/Landlords

A. Family Outreach

1. The Section 8 office publicizes and disseminates information, as needed, concerning the availability and nature of housing assistance. When there is a need to populate the waiting list, the Section 8 office will publish in a newspaper of general circulation, minority media, and other suitable means the availability and nature of housing assistance for very low-income families.

Any personal contact with the news media will be the responsibility of the Executive Director.

The PHA will provide the following general rental information during the participant briefing session:

- a) Information about general locations and characteristics of neighborhoods.
- b) A listing of rental property known to be available. These listings show addresses, shopping centers, bus lines, amenities, deposit information, etc., as provided by owners/landlords.
- c) Information that they may choose any unit within the PHA's jurisdiction as long as the program requirements are met regarding the unit.
- d) Information on portability provisions that may be available in the Section 8 Housing Choice Voucher Program.
- e) A map which identifies areas of low-poverty and minority concentrations.
- f) Information on known available accessible units to families with disabled members.

B. Owner/Landlord Outreach

The Section 8 office will strive to maintain good relations with existing owners/landlords and will encourage new owners/landlords to participate and to make dwelling units available for leasing by eligible families in accordance with the Administrative Plan.

The PHA will use a comprehensive marketing effort described in the following section of this Plan to recruit owners/landlords in areas that offer expanded opportunities to our participants.

In order to assure that owner/landlord outreach efforts are reaching owners/landlords with units outside areas of low-income and minority concentration, the PHA will evaluate new Request for Tenancy Approvals by determining if the address is in an area outside poverty/minority concentration.

C. Promoting Greater Housing Opportunities for Families – De-Concentration

1. A comprehensive marketing plan may be used to locate owners/landlords, as follows:
 - a) Identify areas of low poverty with a low representation of Section 8 tenants.
 - b) All Section 8 staff is required to adopt the customer service representative approach and implement the program accordingly.
 - c) The rental stock in areas without concentration of very low-income and minority residents are surveyed to identify vacant units. The owners/landlords and managers are contacted.

- d) The PHA participates in community-based organization(s) comprised of private property and apartments/landlords and managers and conducts periodic meetings with participating owners/landlords to improve owner/landlord relations and to recruit new owners/landlords.
 - e) Apartment complex managers are recruited through meetings with manager associations and special training programs geared toward apartment management.
 - f) Meet with owner/landlord groups to explain the program and recruit owners/landlords.
 - g) Investors are recruited to purchase units in the identified areas and rent them to the Section 8 applicants and participants.
 - h) Ads and articles are placed in owner/landlord, manager, and investor newsletters.
 - i) Tax credit investors are monitored for proper participation to meet their responsibilities as participants using the Section 8 HCVP in conjunction with their other subsidies.
 - j) The PHA will conduct periodic meetings with the existing Section 8 owner/landlords to maintain a positive relationship with them.
2. Mass media is used as needed.
3. Printed materials for owners/landlords may consist of:
- a) A one-page tri-fold handout; or
 - b) An owner/landlord packet that describes all of the procedures as well as tips on how to be successful with the Section 8 HCVP.

CHAPTER 3. Completion of Application, Preferences, Determination of Eligibility and Selection of Families

A. Completion of Application

During open application periods, the PHA will accept applications at the main administrative office at 1 Lincoln Street, Georgetown, SC 29440. Applications can be printed from the website: www.georgetownhousing.org and either mailed, faxed, or hand delivered. Each person or family seeking admission to a unit must submit a written application. When applications are being accepted, the PHA accepts them between the hours of 9:00 am to 12:00 pm on Tuesday each week. Families may contact the PHA on Monday, Tuesday, Wednesday, and Thursday between the hours of 8:00 am to 6:00 pm to check waiting list status. Steps for processing the applications are outlined below. Accessibility is available or will be provided as a reasonable accommodation for the disabled.

1. Unless the PHA's waiting list is closed, it will accept an application from any person or family who wants to apply, even if an informal discussion indicates that the applicant may not be eligible.
2. The application must be signed by both the applicant and the PHA, date-stamped, time-stamped, and referred to a central resident selection and assignment office for processing.
3. Each application will be processed only to the extent necessary to determine initial eligibility based on information provided on the application or placement on the waiting list.
4. The PHA will notify all applicants for general occupancy developments constructed prior to 1978, especially those with children who are under six (6) years of age, of the dangers of lead-based paint poisoning, and whether blood lead level screening is available for those children. This notification will be done even though the PHA may have a completed all lead-based paint abatement requirements for all development units. If blood level screening is available, the applicant will be advised to notify the PHA if any of the applicant's children under six (6) years of age who are tested have an elevated blood lead level.
5. During periods of time when application taking is closed, the PHA will not maintain a list of individuals who wish to be notified when the waiting list is reopened. However, the PHA will maintain a recorded message providing current information on when the waiting list will or might be reopened.
6. The application must be fully completed by the applicant or by the PHA and signed by the applicant. Incomplete applications will be denied by the PHA.
7. The PHA may request documentation from the applicant needed to verify the information provided at the time of application is taken. All information necessary to determine appropriate placement on the waiting list, including documentation of need for a reasonable accommodation or family composition, will be requested.

8. In addition to obtaining information from the applicant, the PHA will respond to questions from the applicant, and will provide whatever PHA-related information the applicant may desire including, but not limited to, information about the Housing Choice Voucher program, portability, the family share, etc.
9. The PHA will also inform applicants of any other housing assistance programs the PHA administers. If the applicant is interested, the PHA will advise the applicant how and where to apply for those programs. The PHA will also advise applicants about housing assistance programs in other localities, where available.
10. The PHA may take applications at more than one location, so long as the applications are processed at a central location. The PHA may also take applications in outlying areas on specific days. The PHA will make special arrangements to take the applications of persons who are unable to come to the office, such as elderly or disabled persons. It may also utilize other locations as will afford applicants the greatest opportunity to exercise their rights under the resident selection and admissions policies and procedures. The staff may make accommodations for non-elderly/disabled families including, but not limited to, making a home visit, mailing an application to the family, accepting application electronically or by telephone, etc.
11. The PHA will inform all applicants of the availability of any local preferences, and will give all applicants an opportunity to claim for a preference.
12. If the PHA determines that the notification of the availability of local preferences to all applicants on a waiting list is impracticable because of the length of the list, it may provide this notification to fewer than all applicants on the list at any given time. However, the PHA will have notified a sufficient number of applicants that, on the basis of its determination of the number applicants who are on the waiting list who claim preferences, and the anticipated number of admissions, that:
 - a) There is an adequate pool of applicants who are likely to qualify for local preferences; and
 - b) It is unlikely that, on the basis of the PHA's criteria for applying the local preferences, that any applicant who has not been notified would receive assistance before those who received notification.

13. Requirement to Attend Scheduled Meeting

If the applicant cannot attend the scheduled interview, it is the applicant's responsibility to reschedule the interview. If the applicant fails to attend the scheduled appointment and does not contact the Section 8 Department in writing or by telephone to reschedule the appointment, the application may be rejected and the family may be denied admission.

Only the applicant is required to attend the interview.

If the applicant misses two (2) appointments, the PHA will designate the application as inactive. The applicant may reapply at a later date.

14. Verification of the Application Information

- a) Information provided by the applicant will be verified including information documenting family composition, income, assets, allowances and deductions, preference status (if needed), full-time student status, and other factors relating to eligibility, to determine applicant eligibility before the applicant is issued a voucher.
- b) Disclosure and verification of the Social Security Numbers (as assigned to them by the Social Security Administration) of all household members is mandated by HUD. The PHA will follow the guidelines established by HUD in obtaining and verifying the SSN of the household members of an applicant family or tenant family.

15. Final Determination and Notification of Eligibility

- a) After the verification process is completed, a final determination of eligibility will be made before inviting the family to a briefing session for issuance of voucher.
- b) The Housing Choice Voucher will not be issued before all eligibility criteria have been met.

B. Denial of Admissions

In addition to Section C of this chapter (Drug Abuse, Criminal Activity and Domestic Violence), denial of program assistance will be made for an applicant and participant for any of the following grounds:

- a) The family fails to supply any information or documentation that is determined necessary by the PHA in the administration of the program;
- b) The applicant and participant provides information that is not true or complete;
- c) The applicant or family member(s) has been evicted from federally-assisted housing in the last three (3) years;
- d) If the PHA has ever terminated assistance under the Housing Choice Voucher Program for any member of the family for violation of the Family Obligations;
- e) If any member of the family commits fraud, bribery, or any other corrupt or criminal act in connection with any federally-assisted housing program;
- f) If the family currently owes rent or other amounts to the PHA or another Housing Authority in connection with any Section 8 program(s) or Public Housing Assistance under the 1937 Act;
- g) If the family has not reimbursed any Housing Authority for amounts paid to an owner/landlord under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;
- h) If the family breaches any previous Repayment Agreement owed to the PHA, or another PHA, or amounts paid to an owner/landlord by a housing authority;
- i) An applicant who has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell, real property that is suitable for occupancy by the family as a residence, except that the following prohibitions shall not apply to:
 - (1) Any property for which the family is receiving assistance under Section 8;
 - (2) Any person that is victim of domestic violence; or
 - (3) Any family that is offering such property for sale.

- j) If the family has engaged in or threatened abusive or violent behavior toward PHA personnel;
- k) The applicant does not meet the eligibility criteria (e.g. the family's annual income exceeds income limits for a family of that size);
- l) Any adult member refuses to sign or submit required consent forms (i.e., non-citizen status, form HUD-9886 Authorization for the Release of Information/Privacy Act Notice and other consent forms).
- m) The family fails to submit required evidence of citizenship or eligible immigration status.
- n) If any family member fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as specified in 24 CFR 5.612.

C. Denial for Drug Abuse, Criminal Activity, and Domestic Violence

1. Denial of Admissions

a) Prohibiting Admission of Persons Terminated for Drug-Related Criminal Activity

The PHA prohibits admission to the program of an applicant for three (3) years from the date of termination if a household member has been terminated from federally assisted housing for drug-related criminal activity. However, the PHA may admit the household if the PHA determines:

- (1) That the household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the PHA; or
- (2) That the circumstances leading to termination no longer exist. (For example, the criminal household member has died or is imprisoned.)

b) A household shall be permanently denied admission if:

- (1) Any member of the household is subject to a lifetime registration requirement under a state sex offender registration program;
- (2) Has been convicted of manufacturing or producing methamphetamine on the premises of any federally assisted housing (including the building or complex in which the unit is located and associated common areas and grounds).

c) Households shall be denied admission for three (3) years after the date of the most recent conviction if any household member is convicted of a drug-related criminal activity, violent criminal activity, other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor or agent), or pattern of alcohol abuse. A "pattern" shall be at least three (3) alcohol-related criminal offenses within the three (3) year period prior to application for assistance.

d) The following are standards to be applied as appropriate for drug-related criminal activity and other criminal activity concerning denial of admission:

- (1) The PHA may determine the use of an illegal drug through a preponderance of evidence of a drug-related charge.

- (2) The PHA shall determine involvement in criminal activity through the preponderance of evidence for a criminal activity.
- (3) Any household member includes adults and minors who are on the lease or who are living in the household, but not reported to the PHA.
- (4) Currently engaging in illegal use of a drug or other criminal activity shall be defined as one year from the date the PHA discovers the preponderance of evidence.
- (5) Reasonable cause shall be determined by a preponderance of evidence of illegal use of a drug charge or other criminal activity.
- (6) There is no time period concerning the preponderance of evidence of a drug-related charge for manufacturing, production, or distribution of methamphetamine on the premises of federally assisted housing. Such household members being convicted of this offense will always be denied admission.
- (7) The time period of ineligibility for admission for other drug-related or other criminal activities shall be three (3) years from the date of the preponderance of evidence.
- (8) Evidence of criminal activity shall be defined as a preponderance of evidence for criminal activity.

2. Use of Criminal Record

a) Denial

If the PHA proposes to deny admission for criminal activity as shown by a criminal record, the PHA must provide the subject of the record and the applicant with a copy of the criminal record. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with 24 CFR 982.554.

b) Cost of Obtaining Criminal Record

The PHA may not pass along to the tenant the costs of a criminal records check.

c) Permitted use and disclosure of criminal records/sex offender registration records received by the PHA may only be used for applicant screening and/or for lease enforcement and termination. A PHA may disclose criminal convictions as follows:

- (1) To officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information. For example, if the PHA is seeking to terminate assistance of a Section 8 participant on the basis of criminal activity/sex offender status as shown in criminal conviction records, the records may be disclosed to PHA employees performing functions related to the termination or to a PHA hearing officer conducting an informal hearing concerning the proposed termination.
- (2) If a PHA obtains criminal records from a state or local agency showing that a household member has been convicted of a crime/sex offense relevant to applicant screening or tenant lease enforcement or termination, the PHA must notify the household of the proposed action based on the information obtained. The PHA must also provide the subject of the record and the applicant or participant a copy of such information before a denial of admission, termination or lease enforcement action on the basis of such information.

- (3) If, at any time during the program participation, the PHA has a documented reasonable cause (e.g., newspaper articles, credible informants, police reports) to believe that a household member is engaged in drug-related or other criminal activity which would pose a threat to the health, safety, or right to peaceful enjoyment of the premises by other residents or PHA employees, the PHA may run a subsequent criminal check of that household member.

3. Consideration of Circumstances

In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

- a) The PHA may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstance related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.
- b) In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the PHA may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U. S. C. 13661). For this purpose, the PHA may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.
- c) If the family includes a person with disabilities, the PHA decision concerning such action is subject to consideration of reasonable accommodation in accordance with 24 CFR part 8.

4. Records Management

- a) All criminal information received will be maintained confidentially and not misused or improperly disseminated.
- b) All information provided to an owner, manager, or PHA pursuant to VAWA, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be retained in confidence by an owner, manager, or PHA, and shall neither be entered into any shared database nor be provided to any related entity, except to the extent that disclosure is requested or consented to in writing by the individual; required for use in an eviction proceeding of an abuser, stalker or perpetrator of domestic violence; or is otherwise required by applicable law.
- c) Such information may be housed in a locked file with access restricted to individuals responsible for screening and determining eligibility and to the Executive Director.
- d) If the applicant is determined to be eligible, the criminal report shall be shredded as soon as the applicant is housed. If the applicant is denied assistance, the criminal record information shall be destroyed immediately upon completion of the hearing or due process procedures and a final decision has been made.
- e) All information received from a drug treatment facility must be maintained confidentially and not be misused improperly or disseminated.
- f) The information must be destroyed either:

- (1) No later than five (5) business days after the PHA makes a final decision to admit the person to the HCV Program; or
- (2) If the PHA denies admission, the PHA will destroy the information in a timely manner after the statute of limitations has passed for the individual to file a civil lawsuit.

5. Components of Screening Process

- a) A criminal history report will be requested from the law enforcement agency(ies) for adult members according to the following procedure:
- b) For all applicable household members, the PHA will submit to a law enforcement agency the name, sex, race, date of birth, and Social Security Number.
- c) Based on the identifiers submitted, the law enforcement agency will provide this PHA with any criminal history conviction record information and outstanding warrants that are found on the law enforcement agency Computerized Criminal History database and the appropriate Crime Information Center.
- d) The law enforcement agency may also search the National Crime Information Center (NCIC) for criminal information. If a record exists, the law enforcement agency will notify this PHA that such information was found, and will provide the PHA with a copy of the information.
- e) If the person disputes or contests the criminal history report received by this PHA, the PHA may at this time determine that a fingerprint check is necessary.
- f) In no case, will the applicant be charged for the cost of the criminal history checks.
- g) The PHA will also utilize consumer reporting agencies to obtain criminal reports. The PHA will supply information required by the Fair Credit Act to any applicant family who is denied assistance as a result of the criminal record received from the consumer reporting agency.

6. Ineligibility Determination

- a) Families determined to be ineligible due to the definition of family, income, or drug-related criminal or violent criminal activity, or a pattern of alcohol abuse, will be notified in writing that they do not qualify for the program. Families will be notified of the right to have an Informal Review.
- b) The Informal Review will be conducted according to regulatory requirements and as outlined further in this Administrative Plan.
- c) If the applicant or household member refuses to supply required information and/or refuses to sign form HUD-9886 or other PHA consent forms, the family will be determined to be ineligible. The informal review process will apply to an applicant family who has been denied assistance on these grounds.

7. Right to an Informal Review

The Informal Review process can be reviewed in greater detail in “Chapter 21: Informal Hearing and Reviews”.

- a) Applicants who are denied Section 8 assistance are entitled to an informal review.
- b) Ineligible applicants will be promptly provided with a letter detailing their individual status, stating the reason(s) for ineligibility, and offering them an opportunity for an informal review.

- c) Applicants must submit their request for an informal review in writing to the PHA within ten (10) calendar days from the date of the determination.

D. Waiting List

1. Opening the Waiting List

The opening of the Waiting List shall be announced through public notices as follows:

- a) The notice shall be placed in a newspaper of general circulation, in a minority publication, and in plain view in the application office.
- b) Postings may be made at locations throughout the community and may be sent to social service agencies.
- c) The notices shall contain where and when interested parties can apply.
- d) The notice shall state limitations on who may apply (i.e. working families, extremely low-income, etc.).
- e) The notice shall contain the Equal Opportunity Housing logo and non-discrimination statement in the advertising message.

2. Closing the Waiting List

The closing date of the Waiting List may be announced at the same time as the opening is announced, if determinable, or at another time when the PHA reaches a number of applicants who will most likely receive assistance within a twelve (12) to eighteen (18) month period.

- a) The notice shall be placed in a newspaper of general circulation, in a minority publication, and in plain view in the application office.
- b) Postings may be made at locations throughout the community and may be sent to social service agencies.

3. Updating the Waiting List (Purge)

The PHA will update and purge its waiting list annually to ensure that the pool of applicants is sufficient to maintain voucher lease up and reasonably represents interested families. Purging also enables the Housing Authority to update the information regarding address, family composition, family income, and preference claims.

- a) The PHA may periodically update (purge) the waiting list to ensure that it is current and accurate.
- b) The PHA may mail a notice to the applicant's last known address requesting information regarding their continued interest in maintaining a place on the Waiting List.
- c) If the applicant did not notify the PHA of a move as required, the PHA shall not be responsible for the applicant's failure to receive the update request.
- d) The request letter will include a deadline date by which the applicant must notify the PHA of their continued interest, by mail or in person.
- e) Notification of a change in address to the U.S. Post Office or sources other than the PHA is not considered compliance with the requirements to notify the PHA.
- f) Applicants will be given ten (10) days, from the date of the letter, to respond to the PHA regarding their continued interest by mail or in person. The PHA does not

accept responsibility for mail delays.

- g) If the PHA fails to receive the updated applicant information by the deadline date, the applicant's name will be removed from the Waiting List.

4. Organization of the Waiting List

- a) At a minimum, the waiting list must contain:

- (1) Date and time of application,
- (2) Name of applicant,
- (3) Family unit size,
- (4) Race or ethnic designation of the head of household, and
- (5) Qualifications for local preferences.

- b) The PHA may include additional information, to include:

- (1) Names of adult members and age of all members;
- (2) Sex and relationship of all members;
- (3) Street address and phone numbers;
- (4) Mailing address (if different from street address);
- (5) Amount(s) and source(s) of income received by household members;
- (6) Information related to qualification for preference or special admissions; and
- (7) Citizenship/eligible immigration status.

5. Interest List

The PHA does not maintain an interest list when applications are not being taken.

E. Local Preferences

The PHA has elected to adopt the following as the local preferences.

	Preference	Ranking or Point Value
1	Elderly, disabled, or handicapped and are unable to work, and veterans/and or military personnel that serve or have served in various branches of the military including Reserve and National Guard.	200
2	Victims of criminal domestic violence or other violent crimes that have resulted in their being displaced from their home.	200
3	Working: Applicant families whose head of household or spouse is employed for at least thirty (30) hours per week (this preference will not be based on the amount of earned income, and the PHA may not prefer higher income families over families with lower incomes to occupy a development or unit except to the extent that the PHA has identified the need to implement economic de-concentration and income targeting). Families whose head of household or spouse is sixty-two (62) years of age or disabled automatically receive the maximum level of local	200

	preference.	
4	Crucial/critical need for assistance through no fault of the applicant: <ul style="list-style-type: none"> ▪ Natural disaster - Flood or hurricane within the last year. ▪ Fire - Fire not caused by family's negligence, deliberate act, or carelessness within last year. ▪ Government action - Government action against the property: condemned, seized, etc. ▪ Currently homeless: Definition - an individual who lacks a fixed (stable), regular and adequate nighttime residence - living in a shelter, family divided due to lack of housing. ▪ Evicted - Evicted by landlord through no fault of the tenant. ▪ Paying more than 50% to rent/utilities - When rent and utilities are more than 50% of your income. 	100

Preference weights or number of preferences will not be added together. The family with the highest single weight or ranking will be selected first. In the event of a tie, families will be served in the order of the earliest date and time of application among the families that are tied.

F. Eligibility Determination

The PHA will determine whether an applicant for participation in the Section 8 Housing Choice Voucher Program qualifies as a family, is income-eligible, has disclosed and verified Social Security Numbers for each household member, is a U. S. citizen or national or meet eligible non-citizen immigration status, has no history of drug/alcohol abuse and/or have record of violent crime, if family has no household member that is subject to lifetime registration under any state sex offender law, if family has no household member that owes money to any housing authority, and if each household member complies with the requirement to sign release information authorization and/or consent forms.

1. Definition of a Family

The applicant must qualify as a family. A family may be a single person or a group of persons.

A family includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- a) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
- b) A group of persons residing together and such group includes, but is not limited to:
 - (1) A family with or without children (a child is temporarily away from home because of placement in foster care is considered a member of the family);
 - (2) An elderly family;
 - (3) A near-elderly family;

- (4) A disabled family;
 - (5) A displaced family; and
 - (6) The remaining member of a tenant family.
- c) The following definitions apply:
- (1) Disabled family means a family whose head (including co-head), spouse, or sole member is a person with a disability. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.
 - (2) Elderly family means a family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.
 - (3) Near-elderly family means a family whose head (including co-head), spouse, or sole member is person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62, living with one or more live-in aides.
 - (4) Sexual orientation means homosexuality, heterosexuality, or bisexuality.
 - (5) Gender identity means actual or perceived gender-related characteristics.
- d) The PHA must restrict assistance to students enrolled in an institution of higher education. No assistance shall be provide to any individual who:
- (1) Is under 24 years of age;
 - (2) Is not an U.S. military veteran;
 - (3) Is unmarried;
 - (4) Does not have a dependent child;
 - (5) Is not a person with disabilities, and was not receiving Section 8 assistance as of November 30, 2005; or
 - (6) Is not otherwise individually eligible, or has parents who individually or jointly are not eligible on the basis of income to receive assistance.

2. Changes to Family Composition or Special Situations

The family composition may change throughout the family's application process and/or during the period the PHA provides rental assistance to the participating family. The changes to family composition may require the PHA to reevaluate the family's eligibility during the application process or if rental assistance can be continued for the participating family. In such cases the following will apply:

a) Anticipated Family Composition

For initial application, members of the family not currently residing together, but who will be in the household under Section 8, may be listed. The family is to provide documentation describing why the family members are not currently living together.

b) Head of Household

The head of household is an adult member of the household, 18 years old or older,

who is designated by the family as the head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under state/local law. Emancipated minors who qualify under state laws will be recognized as a head of household.

c) Split Households Prior to Issuance of Assistance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation and the new families both claim the same placement on the waiting list, and there is no court determination, the following will be considered:

- 1) Which family unit retains the children or any disabled or elderly members;
- 2) Recommendation of social services agencies or qualified professionals, such as children's protective service.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, both may be denied placement on the waiting list.

d) Joint Custody of Children

Children who are subject to a joint custody agreement, but live with one parent at least fifty-one percent (51%) of the time, will be considered members of the household. The PHA defines fifty-one percent (51%) of the time is defined as 183 days of the year, which do not have to run consecutively.

e) Remaining Members

The remaining members of a participant family shall be considered a family. When the head of household departs the family, the adult, 18 years old or older, responsible for the children may receive assistance until the head of household returns.

3. Special Provisions Relating to Applicant Requiring a Live-in Aide

A family that consists of one or more elderly, near-elderly or disabled persons may request that the PHA approve a live-in aide to reside in the unit and provide necessary supportive services for a family member who is a person with disabilities. The PHA may approve a live-in aide to move in with the family as a household member at time of initial move-in, or after tenancy if the need for a live-in aide is determined after move-in.

a) The PHA may approve the proposed individual as a live-in aid if the individual meets the following criteria:

- (1) Is determined to be essential to the care and well-being of an elderly person(s), a near-elderly person(s), or a person(s) with disabilities;
- (2) Is not obligated for the support of the person(s); and
- (3) Would not be living in the unit except to provide care for the person(s).

b) The following provisions will apply with regards to approval of the live-in aide:

- (1) Income of the approved live-in aide will not be counted for purposes of determining eligibility or rent; and
- (2) The live-in aide may not be considered as a remaining member of the resident family;
- (3) Family relatives are not automatically excluded from being care attendants, but

must meet the criteria described above;

- (4) A live-in attendant's family members may be allowed to reside in the assisted unit provided that doing so does not increase the subsidy cost of an additional bedroom, and the presence of the live-in attendant's family does not overcrowd the unit;
- (5) The live-in aide may only reside with the family in the unit with the PHA's pre-approval.
- c) Written verification for the need for a live-in aide will be required from a reliable professional, such as a doctor, social worker, or caseworker. The provider must certify that a live-in aide is needed for the care of the family member.
- d) The live-in aide will be required to meet the PHA's screening criteria.
- e) The PHA shall require the live-in aide to submit information as requested to be reviewed by management.
- f) The live-in aide must be approved by PHA management prior to move-in with family.
- g) The PHA may approve the live-in aide if the live-in aide:
 - (1) Has provided acceptable disclosure and documentation of Social Security Number, and
 - (2) He/she is a U. S. citizen or national or meets eligible non-citizen immigration status, and
 - (3) If the live-in aide has no history of drug/alcohol abuse and/or has no record of violent crimes, and is not subject to lifetime registration under any State sex offender law, and
 - (4) Does not owe money to any housing authority, and
 - (5) If he/she complies with the requirement to sign authorization for release of information and/or consent forms requested by HUD or the PHA.
- h) At any time, the PHA may refuse to approve a particular person as a live-in aide, or may withdraw such approval, if:
 - (1) The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
 - (2) The person commits drug-related criminal activity or violent criminal activity, or the person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

4. Income Eligibility

A family's annual income, at time of admission to the HCV program, must fall within the applicable Low-Income limits as published by the Department of Housing and Urban Development. Some families may qualify if they are low-income under these circumstances:

- a) A low-income family that is "continuously assisted" under the 1937 Housing Act. An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Act program when the family is admitted to the certificate or voucher program.;
- b) A low-income family physically displaced by rental rehabilitation activity under 24

CFR 511;

- c) A low-income non-purchasing family residing in a HOPE I (HOPE for Public and Indian Housing Homeownership) or HOPE 2 (HOPE for Multifamily Units) Project;
- d) A low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173; or
- e) A low-income family displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

Income limits apply only at time of admission and are not applicable for continued occupancy. However, as the family's income increases the assistance may decrease.

The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.

Families, who are moving into the PHA's jurisdiction under portability and have the status of applicant rather than of participant at their initial housing authority, must meet the income limit for the area where they were initially assisted under the program.

Families who are moving into the PHA's jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the receiving PHA.

Income limit restrictions do not apply to families transferring units within the PHA's Housing Choice Voucher Program.

5. Mandatory Disclosure and Verification of Social Security Numbers (SSN)

Prior to admission, all applicant family members must disclose and provide acceptable documentation of the Social Security Number (SSN) assigned to each household member by the Social Security Administration (SSA). This includes any SSN assigned to applicant/participant family members under any other names.

All household members, six years old or older, approved by the PHA to be added after admission are required to disclose and provide documentation of SSNs at the time the request is made to add the member.

If a child under six (6) years old was added to the assistance applicant family in the six-month period prior to the household's date of admission, documentation verifying the child's SSN information need only be supplied within 90 days of the date of admission (date of lease-up effective date of the HAP contract).

One additional 90-day extension must be granted, if the PHA determines the applicant's failure to meet the first timeline could not be reasonable foreseen or was outside his/her control.

Elderly family members are required to provide their Social Security Numbers and may be granted a sixty (60) day extension if needed for them to provide verification of their numbers.

A family member who does not have a Social Security Number must certify that they do not, in fact, have a number.

6. Penalties for Failure to Disclose and/or Provide Documentation of the SSN

In accordance with 24 CFR 5.218, the following penalties apply for noncompliance with the SSN disclosure and documentation requirements:

a) Applicants

PHA shall deny the eligibility of an applicant if each member of the household who is required to disclose their SSN fails to disclose and/or provide documentation of their individual SSN.

If the family is otherwise eligible to participate in the Housing Choice Voucher Program, PHA shall allow the family to maintain their position on the waiting list for a period of sixty (60) days to permit the family to obtain and disclose the required SSN information. During this period, if a voucher becomes available and the household members have not disclosed their SSN, PHA shall offer the available voucher to the next eligible applicant family on the waiting list.

b) Program Participants

PHA shall terminate the assistance of the entire household of a participant family if the household members who are required to disclose and document their SSN fail to do so.

If the family is otherwise eligible for continued occupancy, PHA, at its discretion, may defer the family's termination of assistance and provide the family an opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date PHA determined the family noncompliant with the SSN disclosure and documentation requirement, if the PHA determines:

- (1) The failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside the control of the family; and
- (2) There is reasonable likelihood that the family will be able to disclose the SSN and provide documentation of the SSN by the deadline.

PHA shall terminate the assistance of the entire household if the family is unable to comply with the requirements by the specified deadline.

7. Verification of Social Security Numbers

Social Security verification requirements are outlined in 24 CFR 5.210 - 5.218 - Disclosure and Verification of Social Security and Employer Identification Numbers.

Social Security Numbers (SSN) for each household member must be disclosed as a condition of eligibility by all applicants and participants in the Housing Choice Voucher Program (24 CFR 5.216).

An individual who previously claimed to have eligible citizenship or eligible immigration status may not state they do not have eligible citizenship or eligible immigration status to avoid providing documentation of their SSN or to avoid any penalties associated with failing to provide their SSN documentation (PIH Notice 2012-10).

The head of household may not opt to remove a household member from the family composition for the purpose of avoiding compliance with the SSN disclosure and documentation requirements or penalties associated with noncompliance of these requirements.

- a) Exceptions to this requirement are:
 - (1) Those individuals who do not contend to have eligible immigration status and have not been assigned an SSN.
 - (2) Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid. PHA shall confirm HUD's validation of the participant's SSN by viewing the household's EIV Summary Report or the EIV Identity Verification Report.
 - (3) Existing tenants as of January 31, 2010, who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption shall continue even if the individual moves to a new assisted unit.
- b) The PHA shall request applicants and tenants to disclose and provide documentation of each household member's SSN in the following acceptable forms:
 - (1) Original SSN card issued by the Social Security Administration (SSA);
 - (2) Original SSA-issued document, which contains the name and SSN of the individual, or
 - (3) Original document issued by a federal, state, or local government agency which contains the name and SSN of the individual.
- c) To verify the disclosed SSN for each household member, the PHA, as required by regulation, shall:
 - (1) Obtain the documentation listed above;
 - (2) Make a copy of the original documentation submitted and retain the copy in the file folder;
 - (3) Record the SSN accordingly in the Family Report (HUD-50058) and transmit the form to HUD within a timely manner. The PHA will transmit the HUD-50058 no later than 30 calendar days of receiving the SSN documentation to enable HUD to initiate its computer matching efforts for current program participants.

(NOTE: HUD does not initiate computer matching efforts for applicants)
- d) If an applicant or participant is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or participant must sign a self-certification to that effect. The applicant/participant or family member will have an additional sixty (60) calendar days to provide proof of the Social Security Number. If the documentation is not provided, the family's assistance may be terminated and the family evicted or the applicant not admitted.

8. Rejection of Social Security Documentation

PHA may reject the documentation of the SSN provided by the applicant or participant for the following reasons:

- a) The document is not an original document; or
- b) The original document has been altered, mutilated, or is not legible; or
- c) The document appears to be a forged document (does not appear to be authentic).

The PHA shall explain to the applicant or participant the reasons(s) the document is not acceptable. The PHA shall then request the individual to obtain acceptable documentation of the SSN and submit the document to PHA within thirty (30) days.

The PHA shall verify the SSN via the EIV Summary Report or the EIV Income Report and shall maintain a copy of the report in the family file as confirmation of compliance with SSN disclosure, documentation, and verification requirements.

Once the household member's SSN verification status is classified as verified, the PHA shall remove and destroy (by shredding or burning) the copy of the acceptable form of documentation from the family file not later than by the next re-exam of family income or composition. Retention of the EIV reports in the tenant file shall be considered adequate.

9. Individuals without an assigned SSN

Examples of some individuals who may not have a SSA-assigned SSN are listed below. This list is not all-inclusive.

- a) U.S. Newborn children (eligible citizens - will be issued a SSN upon SSA confirmation of birth).
- b) Non-citizens lawfully present in the U. S.
- c) Non-citizen unlawfully present in the U. S.

Non-citizens lawfully present in the U. S. will be issued a SSN upon SSA confirmation of the individual's DHA documentation or confirmation that the individual is required by law to provide a Social Security Number in order to receive assistance benefit that they already have qualified for.

Non-citizens unlawfully present in the U. S. cannot be assigned a Social Security Number.

The PHA shall require that a citizen or lawfully present non-citizen who state that they have not been assigned a SSN by the SSA to make such declaration in writing and under penalty of perjury. The self-declaration shall be maintained in the family file.

10. Addition of a New Household Member

- a) New household member at least six years of age, or under the age of six, and has an assigned SSN:

When the family requests to add a new household member in this age category, the family must disclose to the PHA the assigned SSN number of the new household member and provide the PHA with the acceptable form of documentation at the time of such request. If the family is unable to provide the PHA with the required documentation of the SSN, the PHA will not add the new household member until the family provides such documentation.

- b) New household member under the age of six:

When the participant requests to add a new household member in this age category and the new member does not have an assigned SSN, the family must disclose the assigned SSN and provide the PHA with the acceptable form of documentation within ninety (90) calendar days of the child being added to the household.

If the PHA determines that the family was not able to comply with the SSN disclosure and documentation requirement due to circumstances that could not have reasonably been foreseen and were outside the control of the family, the PHA will, as required, grant the family an additional 90-day period to comply.

- c) Examples of circumstances outside the control of the family include, but are not limited to:

- (1) Delayed processing of SSN application by SSA,
- (2) Natural disaster,
- (3) Fire, or
- (4) Death in family.

The PHA shall require the family to provide documentation of the unforeseen circumstances “out of the control of the family” that the family has presented.

During the allotted time that the PHA is providing to the family to comply with the SSN disclosure and documentation requirements, the child shall be included as part of the assisted household and shall be entitled to all the benefits of being a household member.

If the family does not comply with the SSN disclosure and documentation requirements by the expiration of the allotted time provided to the family, the PHA shall terminate the family’s tenancy.

11. Outstanding Debt to Any PHA

The PHA may at any time deny program assistance for an applicant, or terminate program assistance for a participant, if any member of the applicant/participant family owes rent or other amounts to the PHA or to any other Housing Authority in connection with Section 8 or public housing assistance programs.

12. Authorization for the Release of Information/Privacy Act Notice

Each member of the applicant family who is eighteen (18) years of age or older, must sign an Authorization for the Release of Information/Privacy Act Form (HUD-9886) annually authorizing HUD and the PHA to request information from specified sources necessary to verify the household’s income. A household member who turns 18 during the year will be required to sign a HUD-9886 at the family’s next annual or interim reexamination.

Any adult that is requested to be added to the household composition must sign the authorization form at the time that the request is made.

The sources of information to be obtained by HUD and/or the PHA will be in accordance with the limitations addressed for each source in form HUD 9886.

Critical implementation factors require the PHA to utilize other consent forms to verify information other than the limited sources permitted by the HUD-9886 form. The information requested is pertinent to determine the family’s eligibility and/or level of assistance the PHA can provide.

13. Information to be verified by the PHA may include, but is not limited to, the following:

- a) Verifying previous and present employment with detailed information i.e., dates of employment, date of wage increases, bonuses, etc.,
- b) Criminal drug usage/activities background checks,
- c) Eligibility for local preferences established by PHA,
- d) Child care expenses,
- e) Disability expenses,
- f) Medical expenses,

- g) Citizenship or eligible non-citizen status, and/or
- h) All adult household members must sign one or more of these consent forms as requested by the PHA.

14. Eligible and Ineligible Non-citizens

Section 8 programs are covered under Section 214 of the Housing and Community Development Act of 1980, which makes financial assistance contingent upon the submission of verifiable evidence of citizen or eligible non-citizen status.

- a) Families must submit evidence of citizenship or eligible non-citizen status. A family consisting of members with both eligible and ineligible status may be eligible for prorated assistance.
- b) Verification of evidence of eligible non-citizen status is necessary to determine whether or not the applicant/participating family is eligible for continuing assistance or admittance to the program. Families will be required to submit a declaration for all members who claim eligible status and/or provide a listing of those members who do not claim eligible status.
- c) Non-citizen students do not have eligible status, nor does their non-citizen spouse and/or minor children accompanying or joining the non-citizen student. A citizen spouse or minor children of a citizen spouse and non-citizen student are eligible for assistance, however;
- d) A family that consists of a single household member (including a pregnant individual) who does not have eligible U.S. citizenship or eligible immigration status is not eligible for housing assistance and cannot be housed.
- e) A family that consists of two or more household members and at least one household member that has eligible U.S. citizenship or eligible immigration status, is classified as a mixed family, and is eligible for prorated assistance in accordance with 24 CFR §5.520. The PHA may not deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status.

15. Eligibility for Assistance (citizenship)

- a) Citizens or national of the United States;
- b) Non-citizens with status in one of the following categories:
 - (1) A non-citizen admitted to the U.S. for permanent residence under Section 101(a)(20) of the Immigration and Nationality Act (INA); as an immigrant under Section 101(a)(15) or as a special agricultural worker under Section 120 or 210A of the INA;
 - (2) A non-citizen who entered the U.S. before January 1, 1972, (or such later date as enacted by law), and who (1) has continuously maintained residence in the U.S. since then, (2) who is not ineligible for citizenship, and (3) who has been deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General under Section 249 of the INA;
 - (3) A non-citizen admitted to the U.S. with refugee status under Section 207 of the INA, or with asylum status under Section 208 of the INA, or admitted before April 1, 1980 under Section 203(a)(7) of the INA;
 - (4) A non-citizen admitted to the U.S. with parole status under Section 212(d)(5);

- (5) A non-citizen lawfully present in the U.S. as a result of the Attorney General's withholding deportation under Section 243(h) of the INA (threat to life or freedom); or
- (6) A non-citizen admitted for temporary or permanent residence under Section 245A of the INA.

16. Citizen/Eligible Non-Citizen Documentation

Evidence of citizenship or eligible non-citizen status shall consist of the following documents or such other documents as deemed acceptable by HUD or the U.S. Citizenship and Immigration Services (CIS) (formerly INS):

- a) For citizens: a signed Declaration of U.S. Citizenship;
- b) For non-citizens:
 - (1) A signed Declaration of Eligible Immigration Status; and
 - (2) One of the following documents
 - a) Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
 - b) Form I-94 Arrival-Departure Record annotated with one of the following:
 - (i). "Admitted as a Refugee Pursuant to Section 207"
 - (ii). "Section 208" or "Asylum"
 - (iii). "Section 243(h)" or "Deportation stayed by Attorney General"
 - (iv). "Paroled Pursuant to Section 221 (d)(5) of the INS"
 - c) Form I-94 Arrival-Departure Record with no annotation accompanied by:
 - (i). A final court decision granting asylum (but only if no appeal is taken);
 - (ii). A letter from an INS asylum officer granting asylum (if application is filed on or after 10/1/90) or from an INS district director granting asylum (application filed before 10/1/90);
 - (iii). A court decision granting withholding of deportation; or
 - (iv). A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).
 - d) Form I-688 Temporary Resident Card annotated "Section 245A" or Section 210".
 - e) Form I-688B Employment Authorization Card annotate "Provision of Law 274a. 12(11)" or "Provision of Law 274a.12".
 - f) A receipt issued by the INS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant's entitlement to the document has been verified; or
 - g) Other acceptable evidence. If other documents are determined by the INS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the Federal Register.
 - (3) A signed Verification Consent Form.
 - (4) Documents submitted by an applicant family to verify eligible immigration status

will be first verified using the CIS Systematic Alien Verification for Entitlements (SAVE) system. If the SAVE system does not provide verification, a secondary manual search of CIS records will be instituted by the PHA. If both searches fail to verify eligibility, the family will be notified and will be given the option of requesting an appeal to the CIS and/or a PHA informal hearing.

17. Ineligible Immigration Status

- a) Families determined to be ineligible when the evidence of citizenship or eligible non-citizen status submitted by a head of household or spouse cannot be verified either by the PHA's preliminary inquiry or by the CIS secondary search will be notified in writing that the individual or family has been determined ineligible.
- b) Families determined ineligible due to lack of citizenship or non-eligible citizenship status may request an appeal to the CIS according to 24 CFR 5.514(e) and may request an informal hearing with the PHA. Applicant families may request an informal hearing upon the completion of the CIS appeal or in place of the CIS appeal.
- c) Assistance to an applicant may be delayed if the CIS appeal process has been concluded, but may not be denied until after the conclusion of the PHA informal hearing process, if the applicant requests an informal hearing.

G. Selection from the Waiting List

1. Basic Selection Policy

- a) Applicants shall be selected in order of date and time of the initial application with consideration given to the regulations governing income targeting as well as any adopted local preference.
- b) Applicants whose income is greater than thirty percent (30%) of the area median income may be passed on the waiting list pursuant to the income targeting requirements detailed below.
- c) Applicants who have an equal weight or ranking of preferences will be chosen by date and time of application. The applicant with the earliest date and time will be chosen first.

2. Income Targeting Pursuant to the Quality Housing and Work Responsibility Act

- a) Not less than seventy-five percent (75%) of all new admissions shall be an extremely low-income family. A very low-income family whose annual income does not exceed the higher of:
 - (1) The poverty guidelines established by the Department of Health and Human Services (DHHS) applicable to the family of size involved (except in the case of families living in Puerto Rico or any other territory or possession of the United States); or
 - (2) 30% of the median income for the area, as determined by HUD, with adjustment for smaller and larger family, except that HUD may establish income ceilings higher or lower than 30 percent of the area median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.
- b) The PHA may admit a lower percent of extremely low-income families during a fiscal year (than otherwise required) if HUD approves the use of such lower percent

by the PHA, in accordance with the PHA plan, based on HUD's determination that:

- (1) The PHA has opened its waiting list for a reasonable time for admission of extremely low-income families residing in the same metropolitan statistical area (MSA) or non-metropolitan county, both inside and outside the PHA jurisdiction;
 - (2) The PHA as provided full public notice of such opening to such families, and has conducted outreach and marketing to such families, including outreach and marketing to extremely low-income families on the Section 8 and public housing waiting lists of other PHAs with jurisdiction in the same MSA or non-metropolitan county;
 - (3) There are not enough extremely low-income families on the PHA's waiting list to fill available slots in the program during any fiscal year for which use of a lower percent is approved by HUD; and
 - (4) Admission of the additional very low-income families other than extremely low-income families to the PHA's tenant-based voucher program will substantially address worst case housing needs as determined by HUD.
- c) Two (2) or more PHAs in same jurisdiction may elect to be treated as a single PHA for purposes of meeting targeting goals.
 - d) If a family initially leases a unit outside the PHA jurisdiction under portability at admission to the Housing Choice Voucher Program, such admission shall be counted against the targeting obligation of the initial PHA (unless the receiving PHA absorbs the portable family into the receiving PHA Housing Choice Voucher Program from the point of admission).
 - e) For further income targeting clarification, refer to 24 CFR Sec. 982.201.

H. Special Purpose Funding Admissions

HUD may provide funding to serve a targeted population. When HUD targets funding assistance for a special populace, the PHA may accept an application and place the applicant on the waiting list even though the waiting list may be closed. Since HUD specifies the special population, there is no limit to the number of admissions except for the limit as defined by HUD in establishing the special population and funding.

The PHA does not currently administer any special purpose programs.

CHAPTER 4. Determination of Income, Total Tenant Payment and Family Share

The PHA will not devise or implement income or rent determination, verification, or other related policies or procedures in a way that discriminates against persons on the basis of race, color, national origin, sex, religion, familial status, and perceived or actual disability.

A. Annual Income

Annual Income is used to determine whether the family is within the income limits. Annual income is the anticipated amounts, monetary or not, that go to, or on behalf of, the family (including temporarily absent head, spouse or co-head), and are received from a source outside the family within the twelve (12) months following certification. All income that is not specifically excluded in the HUD regulations is counted.

Adjusted income is the annual income minus HUD allowable expenses and deductions.

Both annual and adjusted income are used to calculate the amount of the subsidy for vouchers. In calculating annual and adjusted income, the PHA must include the income of every member of the household, including those who are temporarily absent. Income of persons who are permanently absent from the household will not be counted.

Income is defined by HUD regulations and is further interpreted in HUD notices and memos that must be followed. However, there are policy decisions that are needed in order to assure consistent interpretation of HUD regulations.

The PHA is required to verify family income, family composition and characteristics, value of assets, and other factors relating to eligibility determinations both before an applicant is issued assistance and annually. Verification of family-reported income will be verified via HUD's mandated tiers of verification techniques as addressed in detail in this policy.

B. Income Inclusions

1. Income of Temporarily Absent Household Members

In accordance with HUD regulations, the income of the temporarily absent spouse of the head of household will be included in total family income. The PHA will consider on a case by case basis an absence anticipated to last less than twelve (12) months to be "temporary" unless the head of household can provide verification that the household member is permanently absent.

In calculating annual and adjusted income, the PHA must estimate the income of every member of the household, including those who are temporarily absent. Income of persons who are permanently absent from the household will not be counted. Families must report in writing to the PHA any absence from the household of more than thirty (30) consecutive days and shall report their absence to the owner/landlord, consistent with the lease provisions. Any changes in family composition must be reported in writing to the PHA within ten (10) calendar days of the change in family composition. Families will be counseled at briefing sessions and re-certification on the effect family composition may have in determining voucher size and Total Tenant Payment as well as the PHA's policies for dealing with such changes. At times, situations may arise that result in the temporary or permanent absence of a family member or members from the household. Such situations will be handled in the following manner:

a) Absence of children for foster care.

In instances in which the children have been removed from the home by a social service agency, the agency will be contacted to determine the approximate length of time the children are expected to be away from the home.

- (1) If the agency indicates that the children are expected to return to the home at some point, the children will remain a part of the family composition and will be counted toward the family's subsidy standard, but will not be counted as dependents until they return to the home.
- (2) If the children are not ever expected to be returned to the home, the children will be removed from the family composition and the family's subsidy standard will be reduced accordingly.
- (3) If the agency indicates that it is unknown whether the children will be returned to the home, the children will remain a part of the family composition.

Oral conversations with the social service agency must be thoroughly documented in the family file, including the date of contact, name and title of contact person, name of agency, and telephone number and the details of the conversation.

- b) Absence of single parent; use of caretaker adult. When a single parent leaves the household for an extended period as a result of imprisonment, hospitalization, military service, etc., and another adult moves into the home to care for the children, the rental assistance will not be terminated. The family composition will be modified to include the name of the caretaker as head of household. The caretaker's income will not be included in the family income. The single parent's name shall be temporarily removed and the file documented to explain the circumstances. When the parent returns to the unit, the caretaker may leave or remain in the household. If the caretaker remains, his/her income will be included in the calculation of family income. In addition, the caretaker will be responsible for obtaining the owner's/landlord's approval.
- c) Absence of head of household, spouse or co-head due to military service or school. If the head of household, spouse, or co-head is absent from the home to serve in the military or attend school, the income will be included in the calculation of family income. However, income received as a result of special hazardous duty pay when exposed to hostile fire will not be included.
- d) Absence of other family member due to military service or school. If a family member other than the head of household, spouse or co-head is absent from the home to serve in the military or attend school, the family has the option of considering the person permanently absent (income not counted, not on lease, and not counted for voucher size) or temporarily absent (income counted, on lease, counted for voucher size). Income received as a result of imminent danger pay when exposed to hostile fire will not be included.
- e) Absence due to hospitalization of sole family member. When the family consists of only one member and that person leaves the home to go into a hospital or nursing home for a period of more than six (6) months, the assistance will be terminated. If a medical source documents that the person is expected to return to the unit in six (6) months or less, the person shall continue to receive assistance. If the person is not back in the unit within six (6) months, assistance will be terminated.

- f) Absence of all household members. If all members of the household are absent for thirty (30) cumulative days, but have not moved from the unit, assistance will be terminated. In order to determine if the family is absent from the unit, the PHA may write letters to the family at the unit, telephone the family at the unit, interview the owner/landlord and neighbors, and/or verify if utilities are in service. In cases in which the family has moved from the unit, assistance will be terminated in accordance with the procedures set forth further in this Plan.
- g) Adult visitors. An adult may visit a unit for no more than fourteen (14) cumulative days per year. The PHA must approve adults exceeding this limit before being considered a family member and added to the lease.
- h) Child visitors. Children under the age of eighteen (18) may visit a unit for a maximum of fourteen (14) cumulative days per year without being considered part of the family, provided the family has the written permission of the owner/landlord.
- i) Joint custody of children. Children who are subject to a joint custody agreement but live in the unit at least fifty-one percent (51%) of the time will be considered members of the household. If the family includes a child who is temporarily absent from the home due to foster care, the standards in paragraph number "a" above will be used. The PHA defines fifty-one percent (51%) of the time as 183 days.

2. Earned Income

Earnings anticipated to be received in the twelve (12) months following the effective date of the certification would be annualized. To annualize income, the PHA will multiply:

- a) Hourly income by the number of hours worked in a year;
- b) Weekly income by 52 weeks, unless it is verified that less weeks will be worked;
- c) Bi-weekly income by 26 pay-periods;
- d) Semi-monthly by 24 pay-periods; and
- e) Monthly by 12 pay-periods.

Where income is seasonal or fluctuates as to hours or rates, such as for teachers, construction workers, farmers or migrant workers, the PHA will use an average for twelve (12) months based on past income history of the family and such anticipated income that can be verified.

3. Temporary or Sporadic Income

Temporary or sporadic income is not counted in determination of annual income. Employment lasting less than thirty (30) days will be considered temporary. Sporadic income includes amounts that are neither reliable nor periodic. The PHA will average amounts of recurring sporadic or temporary income in an effort to present the most accurate calculation of annual income.

4. Cyclical or Seasonal Work

When income varies due to cyclical or seasonal work, and the source of income has not changed from the previous year, the PHA may rely on the previous year's income to anticipate income for the coming year. Increases in pay rate over that of the previous year would be considered.

When anticipated income cannot be determined for a full twelve (12)-month period, the PHA will annualize current income and conduct an interim reexamination when income changes.

5. Net Income from Business or from Self-Employment

The net income from the operation of a business or self-employment is counted as income. Net income is the amount of business income received less expenses incurred. Deductions from business income can include business vehicle expenses, supplies and materials, staff salary and benefits, and depreciation of assets. Any withdrawals of cash from the business will be considered income unless the withdrawal is reimbursements of cash or assets invested in the operation by the family. Expenditures for expansion or amortization of capital indebtedness are not used as deductions from income.

Business expansion includes substantially increasing the size of the business or branching out into adjacent areas that are not part of the original operation. Straight-line depreciation of assets is an allowable expense and can be verified through examination of the income tax forms filed for the business or financial statements. Similarly, the accounting records and financial statements can be used to determine the cash or assets invested in the business. This information can be used to determine whether or not a withdrawal is a reimbursement of investments in the business. If a business is co-owned by someone outside the household, financial statements and income tax returns can provide information to determine the level of net income to be attributed to the family from part ownership of the business.

6. Regular Contributions and Gifts

Regular contributions and gifts received from persons outside the household are counted as income for Tenant Rent calculation purposes. This includes rent and utility payments paid on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts.

For zero income families, the PHA may interview the tenant and review his or her current bills and receipts every thirty (30) days to determine the amounts paid for known household expenses and the sources of regular income, including in-kind contributions. This will be determined via a zero-income questionnaire.

Third-party verification of income from regular contributions and gifts will be obtained whenever possible. If the party providing regular contributions refused to verify the information, the PHA will document the file. In this case, the head of household or member receiving the income will be asked to complete a Declaration of Regular Contributions.

7. Financial Assistance to Single Eligible Student of Higher Education

Financial assistance included in annual income is any financial assistance that a student receives in excess of tuition and other required fees and charges (e.g., athletic and academic scholarships) that the student receives (1) under the Higher Education Act, (2) from private sources, and/or (3) from an institution of higher education as defined by the Higher Education Act of 1965.

Treatment of financial assistance received by an eligible student of higher education is included as follows:

Eligible single student, age 23 or younger, not a veteran, no dependent child (meets requirements of 24 CFR 5.612), the PHA shall count as income all financial assistance in excess of tuition and other required fees and charges (except student loans).

The PHA will exclude all student financial assistance in determining income for the following:

- a) Eligible single student, over age 23 with dependent child
- b) Eligible single student, age 24 or older
- c) Student of higher education (regardless of age), living in parental household

8. Alimony and Child Support

The full amount of alimony and child support payments is included in the calculation of annual income. Verification of the amounts can be found in the final divorce decree or settlement papers or may be obtained from the court if payments are made to and distributed by the court. If the family asserts that they are not receiving the full amounts due, the family must present documentation of collection efforts or other satisfactory documentation that verifies the funds are not paid in full. If the payee has filed a claim in court for non-payment or under-payment, the PHA may use those documents for verification. Until the PHA obtains verification of the lesser amount, the full amount of alimony and child support payments will be included in income.

In cases where there is no award by the court, the PHA must seek verification from the provider of the amounts paid, view canceled checks or money order receipts and, for alimony, the provider's income tax returns, if available. Information from the provider will be matched against records provided by the payee including tax returns, if any, and any discrepancies reconciled to assure an accurate amount to include in annual income.

9. Lump Sum Payments

Lump sum payments received due to delayed start of periodic payments (e.g., unemployment, TANF, or child support) except Social Security and Supplemental Security Income benefits, whether due to disputes or processing problems are counted as income in the following manner:

Attorney fees may be deducted from lump sum payments when the services were necessary to recover the lump sum settlement and when the recovery does not include additional monies to pay the attorney fees.

Social Security and Supplemental Security Income benefits that are received in a lump sum or prospective monthly amounts are excluded from annual income. The lump sum payment may be treated as an asset.

- a) If the lump sum amount is reported within thirty (30) days of the date it was received, the lump sum amount will not be taken into account prior to the next re-certification. If, at the next annual re-certification, the lump sum amount has been converted to an asset (i.e., placed in a savings account or invested), it will be treated like any other asset.
- b) If the lump sum is not reported within thirty (30) days, the increased income will be handled retroactively by adding the income to the annual income that was in effect when the payment was received, as long as the date is not prior to program participation. The Total Tenant Payment will be recalculated and compared to the previous Total Tenant Payment. The family has the choice of paying this "retroactive" rent to the PHA in a lump sum or entering into a Promissory Note with the PHA. The family officially owes this money to the PHA whether or not the family chooses to continue its participation in the Section 8 program.

10. Military (Armed Forces) Pay

The Military Pay of the head of household, spouse or co-head is included in annual income. All regular pay, special pay and allowances of member of the military will be included in income (EXCEPTION: Special hazardous duty pay for a family member exposed to hostile fire is excluded.)

11. Public Assistance

a) Public assistance includes:

- (1) Temporary Assistance to Needy Families (TANF); and
- (2) General Assistance.

b) Special calculations must be made for benefits received in “as paid” state or local programs.

“As paid” programs are those in which the family receives a specific amount for shelter and utilities and the amount is adjusted based upon the actual amount the family pays for shelter and utilities.

c) In “as paid” programs, the amount of welfare assistance income shall consist of:

- (1) The amount of the grant exclusive of the amount specifically designated for shelter and utilities; plus
- (2) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount counted, as income is the actual amount received.

12. Imputed Welfare Income

The PHA will not reduce a family's contribution rent if the family's welfare benefits were reduced due to:

- a) Welfare fraud; or
- b) Failure to fulfill the Welfare Department's economic self-sufficiency or work.

Imputed welfare income must be calculated if the welfare agency verifies in writing that a family has been sanctioned for one of the two reasons above. Under these circumstances, the PHA will not reduce the Total Tenant Payment for the family. The amount of the sanction in welfare benefits is identified as imputed welfare income. The amount of the imputed welfare income plus other income received by the family is used to calculate the Total Tenant Payment.

When new income to the household exceeds the imputed welfare income, the imputed welfare income is no longer considered in the determination of annual income.

The family will be offered an opportunity for an informal hearing. The PHA will determine through third-party written verification why the benefits were reduced or suspended before adjusting the income and rent. If welfare benefits expired and program requirements were met, the family income will be reduced to determine rent.

13. Payments in Lieu of Earnings

When payments in lieu of earnings cannot be anticipated for the twelve (12) months following examination, annualize the payments in lieu of earnings and conduct an interim reexamination when income changes.

Examples of payments in lieu of earnings may include:

- a) Unemployment;
- b) Disability payment (unless it is a lump sum payment);
- c) Workers' compensation (unless it is a lump sum payment); and
- d) Severance pay (unless it is a lump sum payment).

Lump-sum health and accident insurance payments and Workers' Compensation are not counted as income.

14. Periodic Payments and Allowances

The full number of periodic amounts received from:

- a) Social Security;
- b) Supplemental Security Income;
- c) Annuities;
- d) Insurance Policies;
- e) Retirement Funds;
- f) Pensions;
- g) Disability or death benefits;
- h) Alimony or spousal support;
- i) Child support;
- j) Other types of periodic receipts.

The withdrawal of cash from an investment that is received as periodic payments (i.e. 401K, IRA) should be counted as income unless the family can document and the PHA verifies that amounts withdrawn are reimbursement of amounts invested. When a family makes a withdrawal from an account in which it has made an investment (such as an annuity or IRA), the withdrawals count as income only after the amount invested has been totally paid out.

If benefits (such as Social Security or veteran's benefits) are reduced due to a prior overpayment, use the actual amount of the current allocation (before withholding for medical premiums).

If benefits are reduced due to other withholding, such as an IRS garnishment or child support garnishment, use the full award amount.

15. Income of Dependents

A dependent is a family member who is under 18 years of age, is disabled (regardless of age), or is a full-time student (regardless of age). The head of household, spouse or co-head, foster-child, or live-in aide are never dependents.

- a) Benefits and non-earned income of minors is counted in determining annual income. Earned income of minors is not counted.
- b) Count only the first \$480 of earned income of full-time students age 18 and older who are not the head of household, spouse, or co-head.
- c) Count all non-earned income of full-time students except for financial assistance of dependent students of higher education.
- d) Count all income (earned and non-earned) of the head of household, spouse or co-head, even if he/she is a full-time student or a minor.

16. Income of a Live-in Aide

The income of a live-in aide is excluded from income provided that the person meets the live-in aide criteria established by HUD.

A live-in aide is a person who resides with one or more elderly or near elderly persons or persons with a disability and who:

- a) Is determined to be essential to the care and well-being of the persons;
- b) Is not obligated for the support of the persons; and
- c) Would not be living in the unit except to provide the necessary supportive services.

This definition does not automatically exclude relatives. Husbands or wives for example may provide attendant care for spouses who would not have their income excluded since they would be living in the unit and are legally responsible for support. An adult son, daughter, or other relative would have their income excluded if they can demonstrate that they otherwise would be living elsewhere. Verification would involve a determination regarding whether the person previously lived outside the unit and moved back solely to take care of the family member, and has not resided in the unit for at least six (6) months.

Verification of need for live-in aide services should be obtained from qualified medical, health, or social services/rehabilitation specialists. Verification of legal requirement for support includes marriage certificates, court ordered guardianship, or other legal documents requiring the attendant to be legally responsible for support of the person they care for. The PHA would have to verify residency of the attendant as being elsewhere through prior landlords, rental agreements or leases, rental receipts, utility bills in the attendant's name for another address, driver's license or other government issued ID, etc.

Live-in aides are not remaining members of a resident family and must vacate the unit if the person they care for vacates. Also, live-in attendants should have their own bedroom and may have family members live with them provided that HUD will not increase the subsidy by the cost of additional bedrooms and the presence of the live-in aide's family does not cause over-crowding.

C. Averaging Income

There are two ways to calculate income when the income cannot reasonably be anticipated for a full year:

1. Annualize current income (and subsequently conduct an interim reexamination if income changes); or
2. Average known sources of variable income to estimate an annual income (no interim adjustment is required if income remains as predicted).

Income from the previous year may be analyzed to determine the amount of anticipated income when future income cannot be clearly verified. If, by averaging, a reasonable estimate can be made, that estimate will be used to anticipate annual income over the next twelve (12) months, instead of changing the HAP every month as the income fluctuates.

D. Federally Mandated Income Exclusions

Some amounts are prohibited from being included in a family's income for rent determination purposes. These amounts, called exclusions, are not part of annual income. See 'Chapter 5: Verifications' for verification and reporting requirements related to 'Fully Excluded' and 'Partially Excluded Income'.

1. Wages of family members under age 18: The full amount of income from employment of children (including foster children) under the age of 18 (excluding the head of household, spouse of head of household, or co-head).
2. Earnings in excess of \$480 for full-time students over age 18 (except head of household, spouse, or co-head).
3. The first \$480 of earned income of each full-time student 18 years old or older (excluding the Head of Household, spouse or co-head) earned is counted in calculation of annual income.
4. Refunds or rebates of property tax on home: Amounts received by a family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit are excluded in the calculation of Annual Income.
5. Payments for student financial assistance paid directly to the student or educational institution: The full amount of financial assistance, including grants, scholarships, educational entitlements, work-study programs and financial aid packages, are excluded in the calculation of annual income. (Although not counted toward annual income, the PHA shall record grants, scholarships, and student financial aid on Form HUD-50058 and show as excluded.)
6. Lump sum additions to family assets: Lump sum additions to family assets, such as inheritances, health and accident insurance, worker's compensation, capital gains, and settlements for personal or property losses are excluded in the calculation of annual income.

7. Lump sum payments of deferred benefits: Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded in the calculation of Annual Income.
8. Amounts Set Aside for Use under PASS:
 - a) Amounts received by a person with a disability that are disregarded for a limited time for purposes of SSI eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) are excluded in the calculation of annual income.
 - b) Temporary, Non-Recurring, Sporadic Income.
 - c) Temporary, non-recurring or sporadic income (including gifts) is excluded in the calculation of annual income.
 - d) Sporadic income is that which is not of a regular nature and which cannot be counted on continuing.
9. Medical expenses: Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member are excluded in the calculation of annual income.
10. Income of live-In aides: All income of a live-in aide is excluded in determining annual income.
11. Adoption assistance payments in excess of \$480 per child: Count as annual income the first \$480 per child of adoption assistance payments.
12. Payments to keep developmentally disabled family members at home: An amount paid by a state or local agency to a family with a member who has a developmental disability living at home is excluded in the calculation of annual income.
13. Payments received for the care of foster children or adults: Payments received for the care of foster children or foster adults are excluded in the calculation of annual income. Foster adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone.
14. Armed Forces hostile fire pay: The special pay to a family member serving in the Armed Forces who is exposed to hostile fire is excluded in the calculation of annual income. All other pay to household members who are serving in the Armed Forces is included in income.
15. Foreign government reparation payments: Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era are excluded in the calculation of annual income.
16. Earnings and benefits from employment training programs funded by HUD: Training programs funded by HUD will have goals and objectives (This is not to be confused with employment by the PHA).

17. Incremental earnings and benefits from participation in qualifying state and local employment programs:
 - a) Incremental earnings and benefits received by any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded in the calculation of annual income.
 - b) A qualified training program is one that is part of a state or local employment-training program and has clear goals and objectives. This would include programs that have the goal of assisting participants in obtaining employment skills, and are authorized or funded by federal, state, or local law, or operated by a public agency. These include programs through Department of Labor, Employment Training Administration, and Welfare-to-Work Grants.
 - c) Amounts excluded by this provision are excluded only for the period during which the family member participates in the employment-training program.
18. Reimbursement for out of pocket expenses while attending a public assisted training program: Amounts received by participants in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program are excluded in the calculation of annual income.
19. Resident service stipend not to exceed \$200 per month for services to the PHA:
 - a) Amount received under a resident service stipend are excluded in the calculation of annual income.
 - b) A resident service stipend is a modest amount, not to exceed \$200 per month, received by a resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to: fire patrol, hall monitoring, ground maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board.
 - c) No resident may receive more than one such stipend during the same period of time.
 - d) The Public Housing Reform Act provides that the governing board of a PHA must generally contain at least one member who is directly assisted by the PHA. To support and facilitate implementation of this new statutory requirement, HUD has clarified that the resident service stipend exclusion covers amounts received by residents who serve on the PHA governing board.
20. The value of the allotment provided to an individual under the Food Stamp Act.
21. Payments to volunteers under the Domestic Volunteer Services Act which includes, but is not limited to:
 - a) RSVP;
 - b) Foster Grandparents;
 - c) Senior Companion Program;
 - d) VISTA;
 - e) Peace Corps;

- f) Service Learning Program;
 - g) Special Volunteer Programs;
 - h) Small Business Administration programs such as National Volunteer Program to Assist Small Business and Promote Volunteer Service to Persons with Business Experience;
 - i) Service Corps of Retired Executives (SCORE); or
 - j) Active Corps of Executives.
22. Payments received under the Alaska Native Claims Settlement Act.
 23. Income derived from certain sub-marginal land of the U.S. that is held in trust for certain Indian tribes.
 24. Payments or allowances under Department of Health and Human Services Low-Income Home Energy Assistance Program (LIHEAP).
 25. Income derived from the disposition of funds of the Grand River Band of the Ottawa Indians.
 26. The first \$2,000 of per capita shares from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court from the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands.
 27. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 (20 U.S.C. 1070), including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs only (42 U.S.C. 1437f), any financial assistance in excess of amounts received by an individual for tuition and any other required fees and charges under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall not be considered income to that individual if the individual is over the age of 23 with dependent children (Pub. L. 109-115, section 327) (as amended).
 28. Payments received from programs funded under Title V of the Older Americans Act of 1965 which includes, but is not limited to:
 - a) Senior Community Services Employment Program;
 - b) National Caucus Center on the Black Aged;
 - c) National Urban League;
 - d) Association National Pro Personas Mayors;
 - e) National Council on Senior Citizens; or
 - f) Green Thumb.
 29. Payments received on or after January 1, 1989 from the Agent Orange Settlement Fund or any fund established pursuant to the settlement in the Agent Orange product liability legislation.
 30. Payments received under the Maine Indian Claims Settlement Act of 1980.

31. The value of any child care provided or arranged (or any amount received as payment for such care) or reimbursement for costs incurred for such care under the Child Care and Development Block Grant Act of 1990.
32. Earned Income Tax Credit refund payment.
33. Payments by the Indian Claims Commission to the Confederate Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation.
34. Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990.
35. Any allowance paid under the provisions of 38 U.S.C. 1833(c) to children of Vietnam veterans born with spina bifida (38 U.S.C. 1802-05), children of women Vietnam veterans born with certain birth defects (38 U.S.C. 1811-16), and children of certain Korean service veterans born with spina bifida (38 U.S.C. 1821).
36. Any amount of crime victim compensation that the applicant (under the Victims of Crime Act) receives through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant.
37. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.
38. An amount earned by temporary Census employees for determining income in the Department's assisted housing programs. Terms of employment may not exceed 180 days for the purposes of the exclusion.
39. Amounts received under Section 1780 of the School Lunch Act and the Child Nutrition Act of 1966, including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants and Children (WIC).
40. Payments, funds, or distributions authorized, established or directed by Section 8 of the Seneca Nation Settlement Act of 1990.
41. Payments from any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts as provided by an amendment to the definitional of annual income in the U.S. Housing Act of 1937 by Section 2608 of the Housing and Economic Recovery Act of 2008.
42. Compensation received by or on behalf of a veteran for service-connected disability, death, dependency or indemnity compensation as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010.
43. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, as provided in the Claims Resolution Act of 2010 for a period of one year from the time of receipt of that payment.
44. Kin-Gap Payments that go to, or on behalf of children leaving the juvenile court system to live with a relative or legal guardian.
45. Kinship Payments that go to, or on behalf of children living with a relative or legal guardian
46. Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002.

E. Earned Income Disallowance Self-Sufficiency Incentive (EID)

This disallowance of an increase in earned income only applies to families currently receiving housing assistance. A family cannot qualify for EID at the time of admission. In order to qualify the family is one:

- a) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

Previously unemployed includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours a week for 50 weeks at one established minimum wage. The established minimum wage means the federal minimum wage unless there is a higher state or local minimum wage.

- b) Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- c) Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six (6) months after receiving assistance, benefits, or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act. The Temporary Assistance for Needy Families (TANF) program includes formula-driven maintenance assistance and such benefits and services as one-time payments; wage subsidies and transportation assistance- provided that the total amount over a six (6)-month period is at least \$500; or

Note: Receipt of Food Stamps and/or Medicaid is not part of the TANF program. If no TANF assistance is provided as listed above, the family will not qualify for the earned income disallowance under TANF provisions but may qualify under the remaining criteria. The PHA will verify receipt of benefit or services other than monthly maintenance with the TANF provider if the family indicates that their eligibility for the earned income disallowance is based on other assistance under TANF.

- d) Maximum 24-month disallowance: The disallowance of increased earned income of an individual family member who is a person with disabilities is limited to a lifetime 24-month period. It applies to a maximum of 12 months for disallowance of 100% and a maximum of 12 months for disallowance of 50% during the 24-month period starting from the initial exclusion. At the end of the 24- months, EID ends regardless of how many months were "used."
- e) Disallowance of increased in annual income:

Initial 12-month exclusion: During the 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

Second 12-month exclusion and phase-in: Upon the expiration of the 12-month period the PHA must exclude from annual income of a qualified family at least 50 percent (50%) of any increase in income of such family member as a result of employment over the family member's baseline income.

Because only a person with disabilities is eligible for the earned income disallowance under the Housing Choice Voucher Program, the PHA will discontinue the allowance for a qualifying person with disabilities who is no longer considered disabled at their next regularly scheduled reexamination. A decision regarding “no longer disabled” will be verified through the Social Security Administration for SSI and SDI recipients or from a medical, health, or rehabilitation professional for those not receiving publicly funded benefits.

- f) Effect of changes on currently participating families: Families eligible for and participating in EID prior to May 9, 2016 will continue to be eligible for the lifetime 48-month period.

F. Assets

Family members with assets are required to report all assets annually. The PHA will determine the net cash value of each asset by deducting reasonable costs that would be incurred to convert the asset to cash from the market or face value of the asset.

Reasonable costs include, but are not limited to: penalties for early withdrawal of funds from CD's, Money Market accounts, IRAs, annuities, etc.; the cost basis plus commissions and fees for stocks, bonds and other capital investments; appraisal fees, realtor commissions, closing costs, repair costs, if applicable, for real property; penalty fees for early withdrawal of IRA's, pensions, and annuities.

If assets are held jointly in an “and” or an “or” account, the full value of the asset less any reasonable costs will be counted unless the family member can demonstrate that their access to the account is legally restricted. The PHA must be able to verify the restriction.

Necessary items of personal property are not counted as assets. These include, but are not limited to: clothing; furniture, personal automobiles, computers, and related equipment for personal but not business use.

Assets include, but are not limited to trusts (only if a family member has access or control of the trust), joint accounts, investments, CDs, IRAs, Keogh, real or personal property or other annuities to which the family member has access even if penalties would be imposed for early withdrawal.

1. In determining the net cash value of assets, the PHA will treat assets as follows:

- a) Trusts

Principal from a trust is not counted as an asset if the trust is not revocable by, or under the control of, any member of the family, so long as the fund continues to be held in trust. Any distributions are considered to be part of annual income. A lump sum distribution in total or in part will be added to all other income and divided by twelve (12) to obtain the gross monthly income. Verification of trust provisions should be contained in the original trust documents. If the documents cannot be obtained, verification should be obtained from the trustee (an individual or financial institution).

If a family sets up an irrevocable trust for the benefit of another person outside of the household, the PHA must determine whether or not the value of the trust is less than the fair market value of the assets contained therein had the family retained the asset. If that is the case, the fair market value less reasonable costs must be determined and the net value of the asset included in total assets. Any income the family receives from this trust will be included in annual income. Nominal amounts set aside in trust for or

donated to charitable organizations up to \$1000.00 will not be considered assets disposed of for less than fair market value.

b) Joint Ownership

For joint ownership of assets, the PHA must determine the percentage of ownership attributable to the family member. Documents that may provide this information include deeds, tax returns, ownership papers, and financial institution records. These types of documents should, if applicable to the asset, describe whether the family member has full or restricted access to the asset. If restricted, the PHA will use only that portion of the asset available to the family member.

c) Investments

The family must maintain the original copies of receipts for purchases of stocks, bonds, etc. Another source is original periodic statements from brokers that reflect the cost basis of any investment holding which are liquidated. This information will provide the basis for determining reimbursement for amounts invested.

d) Retirement Benefits (CDs, IRAs, Keogh)

Retirement/pension accounts, while the household member is employed, are counted as assets only if there is access to cash from the account while employed. Similarly, if funds are held in the account with the principal restricted from access, only distributions from the fund are counted as income.

e) Checking and Savings Accounts

Checking and savings accounts are also considered as assets. The total amount in savings will be considered an asset unless the account is specifically designated under a plan for self-sufficiency for a person with a disability under Social Security Administration guidelines. Checking accounts are also assets under HUD guidelines; however, since most checking accounts are used primarily as a pass-through for receipt of income and payment of monthly household expenses, only the amount in the checking account in excess of \$1000.00 will be considered to be an asset. The PHA may grant an exception to this threshold if the family states and the PHA can verify that regular household expenses such as rent, utilities, food, etc., exceed that threshold. Verification of these accounts will be made first, from a bank verification form completed by the bank. If the bank charges either the resident or PHA more than \$5.00 per bank statement, then the PHA will use bank statements and passbooks. Bank statements for at least six (6) consecutive months will be requested for verification of balances in checking accounts. For threshold exceptions, original billings, rental receipts and related documents will be required.

Note: The interest from an interest-bearing checking account is considered as income.

f) Annuities

Annuities may provide for either fixed or variable payment. For variable payments, the PHA will evaluate historical information to determine the approximate anticipated payment amount for the next twelve (12) month period. This annualized income may be adjusted based on significant changes from the anticipated income. The holder of an annuity may withdraw the funds at any time before maturity but will pay a penalty for early withdrawal. Verification of the penalty amount may be obtained from the company holding the annuity and should be deducted from the total distribution

before determining asset or income amounts. Monthly or periodic regular annuity payments are counted, as income while the principal of the annuity remains an asset until fully liquidated. Verification of any annuity expenses will be obtained from the annuity provider.

g) Net Cash Value of Assets Disposed of for Less than Fair Market Value for 2 Years from Date of Disposition.

Reasonable costs include, but are not limited to: penalties for early withdrawal of funds from CD's, Money Market accounts, IRAs, annuities, etc.; the cost basis plus commissions and fees for stocks, bonds and other capital investments; appraisal fees, realtor commissions, closing costs, repair costs, if applicable, for real property; penalty fees for early withdrawal of IRA's, pensions and annuities.

If assets are held jointly in an "and" or an "or" account, the full value of the asset less any reasonable costs will be counted unless the family member can demonstrate that their access to the account is legally restricted. The PHA must be able to verify the restriction.

Necessary items of personal property are not counted as assets. These include but are not limited to: clothing; furniture, personal automobiles, computers and related equipment for personal but not business use.

h) Lump Sum Additions

Lump sum additions such as inheritances, insurance payments (including payments under health and accident insurance and Workers' Compensation, except those portions which are reimbursement for expenses paid out by the family or otherwise excluded by HUD regulation), capital gains and settlement for personal or property losses are counted as assets whether or not they are placed in savings or other investment vehicles. The PHA will verify payments of inheritances through the executor; health, accident and Workers' Compensation payments through the provider; capital gains through the broker, original 1099s or tax returns; and settlements for personal or property losses through the insurer.

Lump sum payments of \$500 or less will not be included in the calculation of assets.

2. Income from Assets

The amount of interest earned on the assets will be included in the annual income used to calculate the tenant rent. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from assets or a percentage of the value of such assets based on the current passbook savings rate.

a) Assets Valued Under \$5,000

When assets owned by any family member (including minors) have a combined cash value of less than \$5,000, actual income received from the asset(s) is counted as income. (An example is checking and savings accounts.) In determining the value of checking accounts the PHA will use the lesser of the current balance or the average daily balance of the account for the most recent past three (3) months. Anticipated interest will be determined by multiplying the value of the checking account by the annual interest rate.

b) Assets Valued Over \$5,000

When assets owned by any family member (including minors) have a combined cash value of more than \$5,000 the PHA will use the greater of actual income received from the asset(s) or imputed income using the passbook rate as defined by the PHA.

c) Passbook Rate Calculation

PHA Determination of the Passbook Rate: The PHA will use the actual Savings National Rate that is in effect on the first day of the PHA's fiscal year. The PHA will review the Savings National Rate annually and adjust it accordingly on the first day of the PHA's fiscal year. Current and historical Savings National Rates may be accessed at www.fdic.gov/regulations/resources/rates/.

d) Assets Disposed of for Less than Fair Market Value

The PHA will count as an asset the difference between the market value and the actual amount received for assets disposed of for less than market value for two (2) years from date of disposition. If all assets total more than \$5,000, the PHA will use the greater of actual income received from the asset(s) or imputed income using the passbook rate as determined by the PHA.

e) Contributions to Retirement Funds

While an individual is employed, only the amount the family can withdraw without retiring or terminating employment is included as assets. After retirement or termination of employment, any amount the employee elects to receive, as a lump sum is included in income.

G. HUD Required Deductions

HUD has five (5) allowable deductions from annual income:

1. Dependent Allowance

\$480 each for family members (other than the head, spouse or co-head) who are minors (including children who are adopted), and for family members who are eighteen (18) and older who are full-time students or who are disabled (foster children, foster adults, and children of live-in aides are not entitled to this deduction).

2. Elderly/Disabled Allowance

\$400 per family for families whose head, spouse or co-head is 62 or over or disabled.

3. Allowable Medical Expenses

Deducted for all family members of an eligible elderly/disabled family.

- a) IRS publication 502 will be used as guidance where questions arise as to an item's eligibility. This publication provides a complete listing and description of allowable medical and dental expenses that can be included as medical deductions. Where an expense item can be treated as either a medical or a disability assistance expense the PHA will calculate the expenses both ways and give the family the greater deduction.
- b) The PHA will advise all families at certification and each reexamination that they may report any extraordinary one-time nonrecurring medical or disability expense cost between the annual reexamination or request an interim reexamination.

- c) The PHA will include the following as a standard medical expense deduction when determining the family's medical expenses deduction:
 - (1) The amount of un-reimbursed out-of-pocket expenses for prescription drugs
 - (2) Any premiums incurred for a Medicare prescription drug plan
- d) Standard medical deduction is the sum of allowable medical deductions that exceed three percent (3%) percent of annual income.

4. Allowable Disability Assistance Expenses

Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the disabled person or another adult family member to work.

- a) Disability assistance expenses are those reasonable expenses that are anticipated during the period for which annual income is computed for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled family member) to be employed.
- b) These expenses may not be paid to a member of the family nor reimbursed by an outside source.
- c) The PHA must determine what is "reasonable" based on local conditions and costs as well as whether the expenses are directly linked to enabling the family member to work. Reasonable attendant care costs for the locality should be verified through a local social services agency which handles attendant care needs, or an Independent Living Center that assists families in matching attendants with disabled clients.
- d) Attendant care includes the actual cost of providing an attendant to care for a disabled person either in the home or in the work place based on local standards for hourly pay or salary.
- e) Equipment may include but not be limited to providing a wheelchair (manual or electric) to allow the disabled individual the mobility to go from home to place of employment or to facilitate care in the home, ramps to provide access to and from the unit, modifications to a vehicle or special equipment to enable a blind individual to read or type, but only if this enables the disabled person or other family member to work, any other type of special equipment needed for mobility if the use thereof is demonstrated to be employment related for the disabled person or another family member.
- f) The amount allowed is limited to the amount that exceeds three percent (3%) of gross family income and does not exceed the amount earned as a result of the expense.
- g) The PHA must be able to verify that there is a direct link between the disability assistance expenses claimed by the family and a family member (including the disabled family member) going to work. This will generally involve determining whether the employed family member was previously employed.
- h) If more than one family member is enabled to work as a result of the incurring of disability assistance expenses, the PHA will verify the employment and combine the incomes of all working family members to establish the cap by which the expenditures are limited.

- i) If both child care and disability expenses are needed to enable a person to work, the PHA will use the same employment income to justify the child care allowance and the disability assistance allowance.

5. Child Care Expenses

Deducted for the care of children, including foster children, under thirteen (13) years of age when child care is necessary to allow an adult member to work, attend school, or actively seek employment.

The following standards are the criteria for allowing child care expenses as a deduction:

- a) Child care expenses must be "reasonable" and may not exceed the amount of employment income that is included in annual income. If child care is required to allow one or more family members to be employed, the amount of the child care expense may not exceed the total of earned income received by all family members.

One or more family members can engage in qualifying activities for child care purposes as long as the limitations of reasonable expenses for job search and education and expenses not exceeding earned income for employment are applied.

- b) The amount of child care expenditure must be reasonable if the purpose of the child care is to allow a family member to actively seek employment or to further his or her education.
- c) The PHA will make a determination as to what is a reasonable rate for child care based on local conditions and rates. The PHA will obtain information from the social services agency that certifies child care providers, day care centers, federally funded after school programs, etc., and determine a scale of reasonable costs. If it is determined that there is a significant difference between in-home care and day care center charges, the PHA will develop a separate scale for each.
- d) To claim the deduction, verification from the child care provider must include the name, address, and phone number of the company or individual child care provider, the names of the children being cared for, the number of hours for which child care is provided, the rate of pay, and the typical yearly amount paid (taking into account school and vacation periods).
- e) Child care to work: The maximum child care allowed would be based on the amount earned by the person enabled to work. The "person enabled to work" is the adult member of the household who earns the least amount of income from employment. The child care deduction may not exceed the amount of income earned by the person enabled to work.
- f) Child care for school: To qualify for child care deductions under the provision of furthering education, the family member must demonstrate that they are enrolled in some accredited or approved educational or training program. While the type of educational effort may vary widely and be either full-time or part-time, evidence of regular participation will be required and verified by the PHA.

Furthering education can include but is not limited to: completing high school or equivalency (GED), trade school, community or junior college, four-year college, technical schools, ESL or basic education classes, apprenticeship programs, certificate programs, clerical school, and even independent study, if the family member must access on-line educational programs out of the home.

The family member must provide and the PHA verify information on the type of educational program, the number of units or hours of participation, and the name of the educational institution or training facility.

- g) Child care to seek employment: The deduction for child care to seek employment must not exceed the annual adjusted income of the family member seeking employment. The deduction does not include transportation costs, or other expenses incurred, and are limited to one year per individual.

To qualify for child care deductions under the provision of actively seeking employment, the family member may be a participant in an official job search program or may simply demonstrate independent job search activities. In either case, in order to verify the time spent in seeking employment, the PHA will require the family to maintain a log that reflects the following:

- (1) The date and time of departure from home (including time needed to drop off children for child care, if provided outside the home);
 - (2) The name and location of the prospective employer, unemployment office or employment agency;
 - (3) The name of the person(s) contacted and telephone number;
 - (4) The length of time for completion of the application, the interview, testing or other job search activity;
 - (5) The time the children are picked up and the time arrived at home;
 - (6) The name, address, telephone number and social security number of the child care provider; and
 - (7) The total amount paid for the child care.
 - (8) If multiple applications or interviews are held consecutively or on the same day, the above information should be provided for each prospective employer or agency. The PHA will use this information to verify the contacts and the eligibility of child care expenses.
 - (9) Since job search activities may be irregular and not easily anticipated, the PHA may attempt a limited inclusion at the annual certification and conduct an interim examination after some actual expenditures have been incurred. In many instances, job search periods will be of limited duration, but in some cases the job search period may be extended, especially if the type of employment sought is limited in availability, employment opportunities of any kind are scarce, or the job skills needed are unusual.
- h) If the family has school age children who require care only before and/or after school hours, the PHA will consider payment for before and/or after school activities to be a reasonable expense in lieu of individual child care.
- i) The PHA will allow child care expense coverage to include pick-up and drop-off of children at the provider's location. The PHA will also evaluate expenses which may exceed the norm if child care must be provided evenings, nights or week-ends for either educational or employment purposes.
- j) The PHA will review the work hours or educational hours to assure that the combined employment or education hours plus pick-up/drop-off times are within a reasonable timeframe (generally determined to be no more than one hour before or

after scheduled work hours or class times). Exceptions may be made for overtime, special seminars or testing, providing the PHA can verify the extended times.

- k) Child care expenses may be divided between two households in cases of split custody. If only one custodian is an assisted family, the cost of child care will be pro-rated based on the percentage paid by each custodial parent. The cap on eligibility for child care expenses allowed the assisted family would still be based on the earned income limitation.
- l) At annual certification, the PHA will determine the total anticipated child care expense for the employed family members (including increases for care need during school breaks and summer vacations for school age children) and average the amount over twelve (12) months. Should there be a significant variation from the estimated amount the family may request an interim certification adjustment.
- m) The deduction for child care is not given if an agency or person outside the household reimburses the expenses.

H. Minimum Rent

The PHA established a minimum rent for Section 8 participants to be \$50. All voucher families will contribute the highest of thirty percent (30%) of monthly-adjusted income, ten percent (10%) of monthly gross income, or the minimum rent toward the rent plus any rent above the applicable Payment Standard.

1. The minimum rent requirement may be waived under certain circumstances. Financial hardship status is to be granted immediately for ninety (90) days in the event of the following:
 - a) The family has lost eligibility or is awaiting an eligibility determination to receive federal, state, or local assistance, including a family having a non-citizen household member lawfully admitted for permanent residence and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996;
 - b) The family income has decreased due to changed circumstances such as separation, divorce, and abandonment;
 - c) One or more family members have lost employment;
 - d) The family would be evicted as a result of imposing the minimum rent requirement;
 - e) There has been a death in the family; or
 - f) There are other hardship situations determined by the PHA on a case-by-case basis, i.e. alimony, child support, etc.

Financial hardship exemption only applies to payment of minimum rent - not to rent based on the statutory formula for determining the Total Tenant Payment (TTP).

2. If tenant initiates a request for a hardship exemption that the PHA determines is temporary in nature:
 - a) If the hardship is determined to be temporary, minimum rent may be suspended; during the ninety (90) day period beginning on the day the request is made. At the end of the ninety (90) day period, the minimum rent is reinstated retroactively to the date of suspension and the HAP is again adjusted.

- b) In the case of a temporary hardship, the PHA will allow the family a maximum of six (6) months to make payment of any delinquent minimum rent payments accrued during the suspension period. However, the family must execute a Repayment Agreement.
- c) If the hardship is subsequently determined to be long-term, the PHA will retroactively exempt residents from the minimum rent requirement for the ninety (90)-day period.

Note that the PHA can only suspend the minimum rent contribution. If the family is residing in a unit whose Gross Rent exceeds the Payment Standard, the family will be responsible for the excess rent.

Hardship determinations are subject to the PHA's Informal Hearing Process and families are exempt from any escrow deposit that may be required under regulations governing the hearing process for other determinations.

I. Prorated Assistance for "Mixed" Families

1. Applicability

Prorated assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were a participant on June 19, 1995 and do not qualify for continued assistance must be offered prorated assistance. "Mixed" family applicants are entitled to prorated assistance. Families that become "mixed" after June 19, 1995 by addition of an ineligible member are entitled to prorated assistance.

2. Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Total Tenant Payment is the gross rent minus the prorated assistance.

J. Rent Burden

1. Initial Rent Burden

The Rent Burden is the family's payment to the owner/landlord plus utility allowance. This total figure should be equal to or less than forty percent (40%) of the family's monthly adjusted income.

New admissions to the Housing Choice Voucher Program and continuing program participants who move to a new unit will not be allowed to pay more than forty percent (40%) of adjusted income for rent. If the rent burden of the selected unit is over forty percent (40%), the new admission family, or participant family who is moving, will be advised to seek a lower priced unit.

2. Family Moves

If a family requests to move out of the current unit to another unit and is eligible for continued assistance, the family will be issued a voucher and will be subject to the new rent calculation and to the forty percent (40%) rent burden restriction.

3. Owner/landlord Increases in Rent

If an owner/landlord submits notice of an increase in rent for a contracted unit, and the resulting Tenant Rent exceeds forty (40%) percent of the family's adjusted income, the family has the option to remain in the unit and pay the additional costs. The family may also submit a Notice to Move to the owner/landlord and request a voucher to move to another unit.

K. Zero Income Families

Families reporting no family income will be asked at application and re-certification how the family pays for necessary living expenses. If it is determined that the family is receiving regular monetary or non-monetary contributions and/or gifts from non-household members, the value of these gifts will be annualized to estimate income.

If it is determined that the family receives no income from gifts, contributions, or any other source, the family will be required to complete, sign, and date a statement of zero family income. Such families will be required to maintain all receipts for any expenses (e.g., food and clothing, utility bills) for the most recent three (3) months. This amount, excluding any food stamps or the PHA Utility Allowance payments, will be annualized to determine annual income. Zero income families will be reevaluated every thirty (30) days to determine if there are any new sources of income. The reevaluation may include an inquiry to the Department of Labor.

1. If a family reports that it does not have an income, all adult members will be required to sign a no income affidavit, and answer all questions on a zero-income questionnaire and execute a temporary thirty (30) day reexamination.
2. Family members 18-25 years of age who are attending school full-time may not be required to report income status every thirty (30) days.
3. Where outside sources are paying bills, or donating household goods on a regular basis, the value of these contributions will be included as annual income.

L. Utility Allowance and Utility Reimbursement Payments

The utility allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on the family's actual energy consumption.

The PHA's Utility Allowance Schedule is set up according to bedroom size and building type. The family will be given the form HUD-52667 reflecting the latest board approved utility allowances for the area in which the subsidy is issued. The Utility Allowance Schedule will include the allowances for all services for each type unit by bedroom size. When searching for a suitable unit, the family will be able to select the appropriate allowance and calculate the total utility allowance according to the unit selected and the utilities the family will be responsible for paying.

a) Utility Reimbursement Payments

Where families provide their own range and refrigerator, the PHA will provide an allowance for the range and refrigerator. Allowances for water, sewer, and trash services are averaged the same as other utilities. Where the Utility Allowance exceeds the family's Total Tenant Payment, the PHA will provide a Utility Reimbursement Payment for the family. The Utility Reimbursement Payment will be made out directly to the tenant.

b) Utility Allowance Survey

The PHA will review the utility allowance schedule annually. If the review finds a utility rate has changed by ten percent (10%) since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.

c) The utility allowance for the family shall be the lesser of:

- (1) The size of unit actually leased by the family; or
- (2) The family unit size as determined under the PHA subsidy standards.

In cases where the unit size leased exceeds the family unit size as determined under the PHA subsidy standards as a result of a reasonable accommodation, the PHA must use the appropriate utility allowance for the size of the unit actually leased by the family.

M. Total Tenant Payment Exceeds Gross Rent/Zero HAP Assistance

Families whose Total Tenant Payment exceeds the Gross Rent of the occupied unit may remain on the PHA's Section 8 program for six (6) months from the effective date of the zero assistance. This will not be considered a break in continued assistance. The family may remain in the same unit and pay rent for six (6) months before being removed from the program. If the family's income decreases or the unit rent increases within the six (6)-month period, the family will be reinstated into the program without applying to the waiting list.

The family may request to move to another unit by giving the PHA and the owner/landlord a thirty (30)-day written notice to vacate. The family must pay the rent during the thirty (30)- day period. The PHA will issue the family a voucher to move at the end of the notice period. If the family moves from the current unit within the six (6)-month period without giving proper written notice, that is a violation of the lease as well as family obligations, a voucher will not be issued and the family will be terminated from the program. If assistance is terminated, for violation of family obligations, the family is ineligible for rental assistance for up to three (3) years from the date of termination.

CHAPTER 5. Verification Requirements

A. General Requirements

The verification requirements described in this section are applicable to initial screening for eligibility, initial certification, annual reexaminations and interim reexaminations.

1. The PHA will use up-front or written third-party verification of all information whenever possible and the return envelope will be retained in the participant's file. Family-reported income will be verified via HUD's Enterprise Income Verification System (EIV) for the following:
 - a) New admissions within 120 days after admission,
 - b) Annual reexamination, and
 - c) Interim reexamination.
2. If there is a discrepancy between the family-reported income and the EIV family income report, the PHA will follow the written third party verification hierarchy to verify the family's income.
3. At least two documented attempts to obtain third-party verification shall be made before the next level of verification is used. If up-front or third-party documentation is not available, the reason must be documented in the file.
4. Verified information not subject to change (such as a person's date and place of birth) need not be re-verified.
5. Information obtained that is subject to change and for which verifications are more than 60 calendar days old, should be re-verified.
6. HUD requires that verification forms to support PHA's admission decisions be placed in the applicant's (and subsequently, the tenant's) files.
7. Information that is subject to change, such as income, assets, family composition, etc. should be verified close to certification or reexamination.
8. The income determination for any fixed source of income, even if a person or family with a fixed source of income also has a non-fixed source of income shall upon admission to a program, full reexamination and redetermination, be third party verified every three (3) years.
9. Preferences must be verified once, just before admission.

B. Verification Hierarchy as Mandated by HUD

Information will be verified in order through Verification Hierarchy described briefly below. Should the highest level of verification techniques not contain any employment and income information for the family, the PHA will attempt the next lower level of verification technique and move down the hierarchy until an acceptable of verification is obtained. At least two (2) documented attempts to obtain third-party verification shall be made at each level before the next level of verification is used. (Level 6 being the 'highest' form of acceptable verification and Level 1 being the 'last resort' method of acceptable verification.)

1. Upfront Income Verification (UIV) (Level 6): The highest mandatory level of third party verification using HUD's Enterprise Income Verification (EIV) system.

NOTE: NOT AVAILABLE FOR INCOME VERIFICATION OF APPLICANT.

2. Upfront Income Verification (UIV) (Level 5): The highest (optional) level of third party verification using non-HUD systems. Utilization of The Work Number (an automated verification system) and state government databases to validate tenant-reported income.
3. Written Third Party Verification (Level 4): The high level of third party verification mandated as follows:
 - a) Mandatory to supplement EIV-reported income sources;
 - b) Mandatory when EIV has no data;
 - c) Mandatory for non-EIV reported income sources;
 - d) Mandatory when tenant disputes EIV-reported employment and income information and is unable to provide acceptable documentation to support dispute.
4. Written Third Party Verification Form (Level 3): The medium-low level of third party verification mandated as follows:
 - a) Mandatory if third-party written verification documents are not available or rejected by the PHA;
 - b) Mandatory when the applicant or tenant is unable to provide acceptable documentation
5. Oral Third-Party (Level 2): The low level of third party verification mandated as follows:
 - a) Mandatory if written third-party verification is not available.
 - b) The PHA may use telephone verifications.
6. Tenant Declaration (Level 1): The low level of verification techniques. (Also, known as Self Certification)
 - a) Used as a last resort when unable to obtain any type of third party verification.
 - b) The PHA will accept a notarized sworn statement (with penalty of perjury) from the Applicant as Tenant Declaration when no other form of verification is available.

The PHA will not delay the processing of an Applicant beyond ten (10) calendar days because a third-party information provider does not return the verification in a timely manner.

For Applicants, income verification may not be more than 60 calendar days old at the time of a unit offer. For Residents, income verifications are valid for 60 calendar days from the date of receipt.

Regardless of these timeframes, Criminal History Reports will be useable as a valid verification for no longer than 120 calendar days.

C. PHA Use of Enterprise Income Verification (EIV) System

In accordance with §5.236 and administrative guidance issued by HUD, the PHA will utilize HUD's Enterprise Verification System, in its entirety, as a third-party source to verify tenant employment and income information during mandatory reexaminations or re-certifications of family composition and income.

The PHA shall obtain an 'Income Report' from the EIV System for each household. As required, the PHA shall maintain the Income Report in the resident file along with the Family Report form (HUD-50058) and all documents used to support the income and rent determinations for all mandatory annual reexaminations of family income and composition.

If the Income Report does not contain any employment and income information for the family, the PHA shall attempt the next verification technique level and document why it moved to next lower level.

1. Use of EIV Data

EIV data is used by the PHA to validate tenant-reported income and supplement tenant-provided documents. Pursuant to HUD guidelines, the PHA shall use information for the sole purpose of determining eligibility and level of assistance for the public housing program.

Upon obtaining the EIV Income Report for the family, the PHA shall compare the EIV information to the tenant-reported information. If no discrepancy is found, the PHA shall calculate annual income using the tenant-provided documentation.

If there is a discrepancy between the EIV Income Report data and the tenant-reported income, i.e., income source not reported by tenant, substantial difference (\$2,400+ annually) in income reported, the PHA shall obtain additional information from the tenant and/or the third-party source, if necessary.

The PHA shall use the most current and reliable documentation obtained to calculate annual income. EIV data shall not be used to calculate anticipated annual income (except as specified in HUD guidelines).

NOTE: EIV is not available for income verification of applicants or new admissions.

However, as mandated by HUD, the PHA will review the EIV Income Report for all new admissions within 120 days of the PIC submission date (PHA submission of Family Characteristic Report [form HUD-50058] to HUD) to validate the family-reported income. Any discrepancy in income shall be resolved with the family within 60 days of the EIV Income Report date.

2. Tenant Dispute of EIV Data

When a tenant disputes the EIV Income Report data obtained by the PHA, the PHA shall request the tenant to provide acceptable documentation to support the information in dispute. If the tenant is unable to provide any form of acceptable documentation, the PHA will request written third party verification.

3. Dispute Reveals Incorrect EIV

a) Employment and Wage Information

Employment and wage information reported to EIV originates from the employer. The employer reports this information to the local State Workforce Agency (SWA). The SWA, in turn, reports the information to the HHS' National Directory of New Hires (NDNH) database.

If the tenant disputes the information the employer provided, it is the tenant's responsibility to contact the employer directly in writing to dispute the employment and/or wage information that the employer reported to the SWA. The tenant will be required to provide the PHA with a copy of the 'written dispute'. The 'written dispute' to the employer from the tenant should request the employer to correct the erroneous information. If employer resolution is not possible between the tenant and the employer, the tenant should contact the local SWA for assistance.

If provided to the PHA, the copy of the tenant's correspondence to the employer that disputes the employment and/or wage information will be maintained in the tenant file.

b) Unemployment Benefit

Unemployment benefit information reported in EIV also originates from the local SWA and thus the tenant shall follow the same process as state to dispute the information, if applicable. If provided to the PHA, the copy of the tenant's correspondence to the employer that disputes the unemployment benefit information will be maintained in the tenant file.

c) SS and SSI Benefit Information

Social Security (SS) and Social Supplemental (SSI) benefit information reported to EIV originates from the Social Security Administration (SSA). If the tenant disputes the information the SSA provided, it is the tenant's responsibility to contact the SSA at (800) 772-1213, or visit the local Social Security Administration Office.

d) Debts Owed to PHA's and Termination Information

Debts owed to PHAs and termination of tenancy information reported to EIV originates from the current or a former PHA. If the tenant disputes the information provided, it is the responsibility of the tenant to contact the PHA (who reported the information) in writing to dispute the information and provide any documentation that supports the dispute.

If the PHA determines that the disputed information is, in fact, incorrect, the PHA will update or delete the record from EIV.

Former tenants may dispute debt and termination information for a period of three years from the end of participation (EOP) date in the public housing program.

e) Identity Theft

If the tenant suspects identity theft, it is the responsibility of the tenant to:

- 1) Check their Social Security records;
- 2) File an identity theft complaint with the local police department;
- 3) File an identity theft complaint with the Federal Trade Commission; and
- 4) Monitor their credit reports with the three national credit reporting agencies (Equifax, TransUnion, and Experian).
- 5) The tenant will be required to provide the PHA with written documentation of the filed identity theft complaint.

f) Disclosure of EIV Information

The Federal Privacy Act (5 USC §552a, as amended) prohibits the disclosure of an individual's information to another person without the written consent of such individual. As such, the PHA will not share, will not provide a copy, and will not display the EIV data of an adult household member with another adult household member, unless the individual identified in the EIV data has provided written consent to disclose such information.

However, the PHA can elect to discuss with and show the head of household how the household's income and rent were determined based on the total family income reported to and verified by the PHA.

EIV information and any other information obtained by the PHA for the purpose of determining eligibility for the program may not and will not be disclosed to third parties for any reason, unless the tenant has authorized such disclosure in writing.

g) **Income Discrepancy Resolution**

In accordance with 24 CFR 5.236, the PHA will exercise the following in an attempt to resolve the discrepancy:

1. Discuss the income discrepancy with the tenant, and
2. Request the tenant to provide documentation to confirm or dispute the unreported or underreported income.

If the tenant is unable to provide acceptable documentation, the PHA shall request 3rd party verification directly from the source.

If the additional documentation confirms that the family failed to report complete and accurate income information, the PHA will re-determine the tenant rent contribution retroactively as mandated by regulation. The family is required to repay the PHA for any retroactive amount owed due to the family's underreporting or failure to report income.

The tenant is required to pay the retroactive amount in full or enter into a repayment agreement with the PHA. If the tenant refuses to enter into a repayment agreement, the PHA shall terminate the family's assistance as required by regulation.

Amnesty programs are not permissible. A family terminated from the assistance program may not receive future rental assistance until the debt is repaid to the PHA.

D. Information to Be Verified

1. The PHA is required to verify information that is used to determine the family's eligibility and program compliance. The information to be verified includes, but is not limited to, the following:
 - a) Claims by an applicant or program participant that the individual is a victim of domestic violence, dating violence, sexual assault, or stalking and that the incident in question are bona fide incidents of such actual or threatened abuse and meet the requirements set forth in the Violence Against Women Act. Such verification/certification shall include the name of the perpetrator.

Self-certification will be accepted via the approved certification form (HUD-91066) that the individual presenting it is a victim of domestic violence, dating violence, sexual assault, or stalking and the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements set forth in the Violence Against Women Act. Such certification shall include the name of the perpetrator.

The individual shall provide such certification within fourteen (14) business days after the owner, manager, or PHA requested such certification. If the individual does not provide such certification within fourteen (14) business days after requested,

admissions to the housing assistance program may be denied or the housing assistance may be terminated.

- b) Zero and/or sporadic income status of household. Zero and/or sporadic income applicants and participant will be required to complete a family expense form at each certification or reexamination. The PHA will conduct an interim reexamination every thirty (30) days for zero and/or sporadic income households.
- c) Full time student status including high school students who are eighteen (18) years of age or older;
- d) Current assets including assets disposed of for less than fair market value in the preceding two years;
- e) Child care expenses when it allows an adult family member to be employed; look for work, or further his/her education;
- f) Total medical expenses of all family members in households whose head, spouse, or co-head is elderly or disabled;
- g) Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow any adult family member, including the person with the disability, to be employed;
- h) Legal identity;
- i) U.S. citizenship/eligible immigration status;
- j) Social Security Numbers for all members in the household;
- k) Familial/Marital status when needed for head, spouse, or co-head definition;
- l) Disability for determination of allowances, deductions or requests for accommodation including need for a live-in aide;
- m) Time spent seeking employment when child care is claimed for the activity;
- n) All sources of income; and.
- o) Preferences applicable to placement on and selection from the waiting list based on the selection preferences adopted by the PHA.

E. Release of Information

As a condition of admission to, or continued occupancy of, any assisted unit, the PHA will require the family head and such other family members eighteen (18) years of age and older to execute a HUD-approved release and consent form authorizing any depository or private source of income, or any federal, state, or local agency, to furnish or to release to the PHA and to HUD such information as the PHA or HUD determines to be necessary. This includes a consent form for release of criminal/sex offender status information signed by each adult household member. The PHA will furnish applicants and participants a Release of

Information/Privacy Act Notice [HUD-9886] when collecting information to verify income. Refusal to cooperate with the HUD prescribed verification process as outlined in this Plan and HUD regulations will result in denial of admission or termination of tenancy.

F. Authority to Obtain Criminal History Records

The PHA is authorized by 24 CFR part 5, subpart J to obtain criminal conviction records from a law enforcement agency and to use those records to screen applicants for admission to covered housing programs.

24 CFR part 5, subpart J, §5.905 states that a PHA that administers a Housing Choice Voucher Program must carry out background checks necessary to determine whether a member of a household applying for admission to any federally-assisted housing program is subject to a lifetime sex offender registration requirement under a State Sex Offender Registration program.

G. Permitted Use and Disclosure

1. The use and disclosure of criminal records/sex offender registration records received by the PHA may only be used for applicant screening and/or for termination of assistance. The PHA may disclose criminal conviction records as follows:

To officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information. For example, if the PHA is seeking to terminate assistance to a Housing Choice Voucher participant on the basis of criminal activity/sex offender status as shown in criminal conviction records, the records may be disclosed to PHA employees performing functions related to the termination, or to the PHA hearing officer conducting an administrative grievance hearing concerning the proposed termination.

2. If the PHA obtains criminal records from a state or local agency showing that a household member has been convicted of a crime relevant to applicant screening or tenant lease enforcement or termination of assistance, the PHA must:
 - a) Notify the household of the proposed action based on the information obtained; and
 - b) Provide the subject of the record and the applicant or Section 8 participant a copy of such information and an opportunity to dispute the accuracy and relevance of the information.

Note: This opportunity must be provided before a denial of admission, lease enforcement action or termination of assistance on the basis of such information.

3. Any other negligent or knowing action that is inconsistent with the statute or regulations. Conviction for a misdemeanor and imposition of a penalty of not more than \$5,000 is the potential for:
 - a) Any person, including an officer, employee, or authorized representative of a PHA who knowingly and willfully requests or obtains any information concerning an applicant for, or tenant of the PHA under false pretenses; and
 - b) Any person, including an officer, employee, or authorized representative of a PHA who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive the information.

4. A PHA may be liable under civil law to any applicant for, or Section 8 participant of the PHA who is affected by either of the following:
 - a) A negligent or knowing disclosure of criminal records information obtained under statutory authority about such person by an officer, employee, or authorized representative of a PHA if the disclosure is not authorized under the statute or regulations; or
 - b) An applicant for, or assisted participant of the PHA may seek relief against the PHA for inappropriate disclosure by bringing a civil action for damages and such other relief as may be appropriate. The United States district court in which the applicant or participant resides, in which the unauthorized action occurred, or in which the officer, employee, or representative of a PHA alleged to be responsible resides, has jurisdiction. Appropriate relief may include reasonable attorney's fees and other litigation costs.

H. Receipt of Information From Law Enforcement Agencies

When the law enforcement agency/state registration entity receives the PHA's request, the agency must promptly release to the PHA a certified copy of criminal conviction records concerning the household member they have in their possession or under their control. National Crime Information Center (NCIC) records must be provided in accordance with NCIC procedures.

The law enforcement agency may charge a reasonable fee for this service but any fee charged by the agency for this service may not be passed on to the applicant.

I. Records Management

1. The PHA has established and implemented a system of records management that ensures that records received from a law enforcement agency are:
 - a) Maintained confidentially;
 - b) Not misused or improperly disseminated;
 - c) Destroyed once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation.
2. All information provided to an owner, manager, or PHA pursuant to VAWA, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be retained in confidence by an owner, manager, or PHA, and shall neither be entered into any shared database nor be provided to any related entity, except to the extent that disclosure is requested or consented to in writing by the individual; required for use in an eviction proceeding of an abuser, stalker or perpetrator of domestic violence; or is otherwise required by applicable law.
3. The records management requirements do not apply to sex offender registration information that is public information or is obtained by the PHA other than from a State or local agency responsible for the collection or maintenance of such information.

J. Verification of Income

1. All Income will be verified.
2. Gross employment income of all household members;
3. Social Security, pensions, SSI and disability income;
4. Unemployment compensation;
5. Welfare payments or general assistance;
6. Alimony or child support, monetary or not;
7. Net Income from a business, Including child care and home sales;
8. Recurring monetary contributions and gifts;
9. Zero and/or sporadic income status; or
10. Full-time student status.

K. Verification of Fully Excluded Income (PIH Notice 2013-4)

1. When an income is fully excluded, the PHA is **not** required to:
 - a) Verify the income in accordance with the HUD-prescribed verification hierarchy;
 - b) Document in the tenant file why third party verification was not available; and
 - c) Report the income in Section 7 of the form HUD-50058.
2. The PHA may accept an applicant or participant's self-certification as verification of fully excluded income. The PHA's application and reexamination documentation, which is signed by all adult family members, may serve as the self-certification of the fully excluded income.
3. The PHA may elevate the verification requirements, on a case by case basis, to determine if a source of income qualifies for a full exclusion.
4. Examples of common fully excluded income categories that are verifiable through applicant or participant self-certification are:
 - a) Supplemental Nutrition Assistance Program (SNAP) benefits, formerly known as food stamps.
 - b) Income from a live-in aide.

L. Verification of Partially Excluded Income (PIH Notice 2013-4)

1. Income that is partially excluded means that only a certain portion of the income reported by the family qualifies to be excluded, while the remainder must be included when determining the family's annual income.
2. For partially excluded income, PHAs are required to:
 - a) Comply with HUD-prescribed verification requirements and all applicable regulations pertaining to the determination of annual income; and
 - b) Report the income in Section 7 of the form HUD-50058.

3. Examples of partially excluded income that are subject to regular verification requirements include:
 - a) Income subject to the fifty percent (50%) phase-in period of the Earned Income Disallowance;
 - b) Earnings in excess of \$480 for full-time students 18 years old or older.
4. To determine the amount of earnings to include in the calculation of the family's annual income, the PHA must verify the amount of employment income for these family members.

M. Assets and Income from Assets

The PHA will obtain third-party verification of all family assets upon admitting the family into the HCV Program and will obtain third-party verification at least every three (3) years thereafter.

Families with assets below \$5,000 typically generate minimal income from these assets which results in minor changes to the tenant rent. The PHA will accept a family's declaration of the amount of assets of less than \$5,000, and the amount of income expected to be received from those assets.

The PHA will accept the family's declaration that the family (including minor family members) has total net assets equal to or less than \$5,000, and the total amount of income expected from all assets to be less than or equal to \$5,000 at the family's next interim or annual reexamination. Adult family members 18 years old or older must sign the family's declaration of total assets. The PHA's interim or annual reexamination documentation, which is signed by all adult family members, can serve as the declaration. The family's declaration of total assets must:

- a) Show each asset, and
- b) The amount of income expected from each asset.

Where the family has net family assets equal to or less than \$5,000, the PHA will not request supporting documentation (e.g. bank statements) from the family to confirm the assets or the amount of income expected to be received from those assets. Where the family has net family assets in excess of \$5,000, the PHA must obtain supporting documentation (e.g. bank statements) from the family to confirm the assets. All assets will continue to be reported on HUD-50058.

The PHA will obtain third-party verification of assets for new additions to the family. At the next annual reexamination of income following the addition of the new family member, the PHA will obtain third-party verification of all family assets if the addition of the new family member's assets puts the family above the \$5,000 asset threshold. If the addition of the new family member's assets does not put the family above the \$5,000 asset threshold, the PHA will not obtain third-party verification of all family assets at the next annual reexamination of income following the addition of the family member; however, the PHA will obtain third-party verification of all family assets at least every 3 years.

If the PHA has adopted a previous self-certification of assets provision, the PHA will obtain third-party verification of all family assets at the family next income reexamination.

All assets to which any household member has access and Income from assets will be verified. This may include, but not be limited to, the following:

1. Checking accounts;
2. Current savings accounts and Certificates of Deposit of all household members;
3. Property owned or financed by household members;
4. Cash value of life insurance policies;
5. Retirement/pension funds; or
6. Assets disposed of for less than fair market value in previous 24 months.

N. Verification of Deductions from Income

1. Child care expenses
2. The PHA will verify:
 - a) Eligibility for child care expenses;
 - b) Reasonable cost for child care:
 - c) A child care expense deduction is allowed when a family member requires child care to:
 - (1) Further his/her education, or
 - (2) To actively seek employment, or
 - (3) Be employed.

Verification of child care expenses must validate the requirements of the child care deduction found in Chapter 4.G.5 of this policy.

3. Medical and Handicapped Assistance Expense
 - a) IRS publication 502 will be used as guidance where questions arise as to an item's eligibility.
 - b) Where an expense item can be treated as either a medical or a disability assistance expense, the PHA will calculate the expenses both ways and give the family the greater deduction.
 - c) The PHA will advise all families at certification and each reexamination that they may report any one-time non-recurring medical or disability expense cost and request an interim reexamination.
 - d) Families who claim medical expenses or expenses to assist a person with disability will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. Reimbursement of medical expenses must be reported on form HUD-50058.
 - e) All expense claims will be verified by one or more of the methods listed below:
 - (1) Written third party verification by a doctor, hospital or clinic personnel, dentist, or pharmacist concerning anticipated medical costs to be incurred by the family and regular payments due on medical bills and the extent to which those expenses will be reimbursed by insurance or a government agency.

- (2) Written third party confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
 - (3) Written third party confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next twelve (12) months. A computer printout will be accepted.
- 4. Disability Assistance Expense Deduction
 - a) Families are entitled to deduction for un-reimbursed expenses for care attendants and auxiliary apparatus expenses for a member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including member disabled) to work.
 - b) The allowable disability assistance expense is that portion that exceeds three (3) percent of annual income.
 - c) This deduction may not exceed the earned income received by family members who are eighteen (18) or over, and who are able to work because of such attendant care or auxiliary apparatus.
 - d) The PHA will verify:
 - (1) The disability;
 - (2) The un-reimbursed expenses for care or apparatus;
 - (3) Whether the expense is directly related to enabling employment; and
 - (4) Income earned due to the care or apparatus.

O. Verifying Non-Financial Factors

Non-financial factors that must be verified include, but are not limited to:

- 1. Legal identity;
- 2. Marital status;
- 3. Familial relationships;
- 4. Permanent absence of adult member;
- 5. Change in family composition;
- 6. Disability;
- 7. Funds owed the PHA or other Housing Authorities;
- 8. Social Security Numbers

The PHA will require the applicant to provide Social Security Numbers for all household members or certify that no Social Security Number has been issued; or

- 9. Citizenship and Non-Eligible Immigration Status.

P. Verification of Local Preference

Verification of family/individual preferences shall be conducted at the time of selection from the waiting list. At the time of application, the preference claimed by the family is used to place them on the waiting list.

A family's preference status may change, thus voiding the original preference claimed. In that case, the family's placement on the waiting list may require adjustment based on their circumstances.

Similarly, a family originally having no preference status at the time of application may gain a preference while waiting that would change their placement on the waiting list.

The following methods may be used based upon the PHA's preference policies:

	Preference	Acceptable Forms of Verification
	Elderly, disabled, or handicapped and are unable to work, and veterans/and or military personnel that serve or have served in various branches of the military including Reserve and National Guard.	<ul style="list-style-type: none"> • Birth Certificate. • SS/SSI award letter. • Discharge papers and documentation of VA benefits (Form DD214).
	Victims of Criminal Domestic Violence or other violent crimes that have resulted in their being displaced from their home.	<ul style="list-style-type: none"> • Written Police reports, referral from violence prevention program such as mental health counselor, doctor, domestic violence service provider.
	<p>Working: Applicant families whose head of household, or spouse is employed for at least thirty (30) hours per week (this preference will not be based on the amount of earned income and the PHA may not prefer higher income families over families with lower incomes to occupy a development or unit except to the extent that the PHA has identified the need to implement economic de-concentration and income targeting).</p> <p>Families whose head of household or spouse is sixty-two (62) years of age or disabled automatically receive the maximum level of local preference.</p>	Six (6) months of payroll information.

	<p>Crucial/critical need for assistance through no fault of the applicant:</p> <ul style="list-style-type: none"> ▪ Natural Disaster - Flood or hurricane within the last year. ▪ Fire - Fire not caused by family's negligence, deliberate act or carelessness within last year. ▪ Government action - Government action against the property: condemned, seized, etc. ▪ Currently homeless: definition - an individual who lacks a fixed (stable), regular, and adequate nighttime residence - Living in a shelter, family divided due to lack of housing. ▪ Evicted - Evicted by landlord through no fault of the tenant. ▪ Paying more than 50% to rent/utilities - When rent and utilities are more than 50% of your income. 	<ul style="list-style-type: none"> ▪ Letter from agency such as Red Cross or United Way. ▪ Copy of the fire department written report stating the cause of the fire. ▪ Letter from municipality. ▪ A letter from an agency/case worker stating their current living situation. ▪ Documentation from Magistrate Court (If due to landlord foreclosure, need documentation from landlord). ▪ Six (6) months of rent receipts, utility bill in the name of the applicant for the address on the application, and a copy of all current income for the month.
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CHAPTER 6. Briefing of Families and Issuance of Housing Choice Vouchers

A. Briefing Notices

Notices of the briefing session are sent to eligible candidates at least ten (10) days in advance of the briefing session. If the applicant fails to appear, he/she may be rescheduled for the next briefing session. If the applicant fails to appear a second time, the application will be withdrawn. The applicant family can reapply when the PHA is accepting applications.

B. Contents of the Briefing

A family selected to participate in the PHA's tenant-based program will be provided an oral briefing.

1. The briefing shall include information on the following subjects:
 - a) A description of how the program works;
 - b) Family and owner/landlord responsibilities;
 - c) Where the family may lease a unit, including renting a dwelling unit inside or outside the PHA's jurisdiction;
 - d) An explanation of how portability works:

The PHA may not discourage the family from choosing to live anywhere in the PHA's jurisdiction, or outside the PHA's jurisdiction under portability procedures.
 - e) An explanation of the advantages of moving to areas outside of poverty or minority concentration.
2. In briefing, a family that includes any disabled person, the PHA shall take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6.

C. Contents of the Briefing Packet

When a family is selected to participate in the program, the PHA will provide the family a packet that includes the following information:

1. The initial time to locate a unit and PHA policy on any extensions or suspensions of the term. If the PHA allows extensions, the packet must explain how the family can request an extension;
2. How the PHA determines the housing assistance payment for a family including prorated assistance for mixed families who have one or more ineligible family members according to the restrictions on assistance to non-citizen rule;
3. How the PHA determines the Total Tenant Payment (TTP);
4. Payment standard and the PHA's Utility Allowance Schedule;
5. How the PHA determines the maximum rent for an assisted unit;
6. What the family should consider in deciding whether to lease a unit, including:
 - a) The condition of a unit;

- b) Whether the rent is reasonable;
 - c) The cost of any resident-paid utilities and whether the unit is energy-efficient; and
 - d) The location of the unit, including proximity to public transportation, centers of employment, schools, and shopping.
7. Where the family may lease a unit: for a family that qualifies to lease a unit outside the PHA's jurisdiction under portability procedures, the information packet must include an explanation of how portability works.
 8. The HUD-required lease addendum: the lease addendum is the language that must be included in the lease;
 9. The Request for Tenancy Approval form and an explanation of how to request PHA approval to lease a unit;
 10. A statement of the PHA policy on providing information about a family to prospective owners/landlords;
 11. PHA subsidy standards, including when the PHA will consider granting exceptions to the standards;
 12. The HUD brochure on how to select a unit;
 13. The HUD lead-based paint (LBP) brochure;
 14. Information on federal, state, and local equal opportunity laws, and a copy of the housing discrimination complaint form;
 15. A list of owners/landlords or other parties known to the PHA who may be willing to lease a unit to the family, or help the family find a unit;
 16. Notice that if the family includes a disabled person, the family may request a current listing of accessible units known to the PHA that may be available;
 17. Family obligations under the program;
 18. The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act;
 19. PHA informal hearing procedures: this information shall describe when the PHA is required to give a participant family the opportunity for an informal hearing, and how to request a hearing;
 20. A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families.
 21. A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration;
 22. HQS checklist;
 23. Procedures for notifying the PHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair;
 24. Requirements for reporting changes between certifications; and
 25. Information on security deposits.

D. Extensions and Suspensions

1. The initial period to locate a unit expires at the end of sixty (60) days from the date of issuance of the voucher, unless the family has submitted a Request for Tenancy Approval. In order to have the time extended for a period not to exceed an additional sixty (60) days, the family must request the extension in writing. All requests for extensions must be received prior to the expiration date. The family will be required to show satisfactory proof of their efforts to find suitable housing before the PHA will grant an extension. This proof includes dates and times of housing inquiries and the names of contacts made during the search.
2. The PHA staff will review with the family the efforts it has made to find a suitable dwelling unit and the problems it has encountered. The staff shall offer advice or assistance which may be helpful in assisting the family locate appropriate and affordable housing. If the PHA determines there is a reasonable possibility that the family cannot locate suitable housing, the PHA will grant an extension for an additional amount of time.
3. The PHA will suspend the initial or any extended term of the voucher from the date the family submits a Request for Tenancy Approval (RFTA) until the date the PHA notifies the family in writing whether the RFTA has been approved or denied.

E. Subsidy Standards

1. Subsidy Standards

The PHA has established the following subsidy standards as a guideline to determine the family unit size for voucher issuance:

Subsidy Standard (Family Unit Size)	Minimum # Persons	Maximum # Persons
0 BR	1	1
1 BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8

These standards will be used to determine the maximum rent subsidy that a family assisted in the voucher program will receive. These standards will be applied consistently for all families of like size and composition.

Exceptions to the above will be reviewed by the Executive Director and may be allowed depending upon individual circumstances.

A participant may select a smaller size unit than the size listed on their Housing Choice Voucher. In this situation:

- a) The Payment Standard for the smaller size unit shall be utilized.
- b) The utility allowance for the family shall be the lesser of:
 - (1) The size of unit actually leased by the family; or
 - (2) The family unit size as determined under the PHA subsidy standards.

In cases where the unit size leased exceeds the family unit size as determined under the PHA subsidy standards as a result of a reasonable accommodation, the PHA must use the appropriate utility allowance for the size of the unit actually leased by the family.

2. Bedroom Allocation

The assignment of the bedroom unit size is for the purpose of setting the allowable subsidy standard for the family and does not dictate the bedroom size unit the family may select as its housing choice. The following guidelines are used to determine each family's assigned subsidy size without overcrowding or under-housing.

The subsidy standards are based on the following:

- a) No more than two persons will be required to share a bedroom;
- b) Persons of the opposite sex ages five (5) and over (other than husband and wife) will not be required to share a bedroom;
- c) Children of the same sex will share a bedroom;
- d) Adults of the same sex will share a bedroom; however, adults of a different generation, i.e. mother, grandmother, may be permitted separate bedrooms; and
- e) A live-in aide is permitted a separate bedroom.

The family composition as indicated on the application for assistance is used in determining bedroom size. The PHA will consider the status of a pregnant woman, children in the process of being adopted, and children who are temporarily in foster care or whose custody is being obtained in the determination of the appropriate subsidy size. A family may request an exception to occupancy standards when a licensed professional clinician documents, for specific reasons, the need for separate bedroom accommodations. The Executive Director or designee may grant this exception.

Exceptions to the above will be reviewed by the Executive Director and may be allowed depending upon individual circumstances.

3. Effect of Subsidy Standard (Family Unit Size) on Payment Standard

The family unit size, as established by the PHA subsidy standard and reflected on the voucher issued to the family, is used to determine the maximum voucher rent subsidy.

The family may rent a smaller or larger bedroom size unit than what is reflected on the voucher provided that the unit meets Housing Quality Standards guidelines.

The applicable Payment Standard for a family shall always be the lower of:

- a) The Payment Standard amount for the family unit size reflected on voucher issued to family; or
- b) The Payment Standard for the actual size of the unit rented by the family

4. Issuance of Voucher to Family

- a) When the applicant is determined to be eligible and the PHA has a voucher available, the PHA will issue a voucher (form HUD-52646) to the family.
- b) The family will be required to attend the voucher briefing and sign the voucher.
- c) After completion of the voucher briefing the family can begin the search for a unit.

- d) When the family finds a unit and the owner/landlord is willing to lease the unit under the program, the owner/landlord must prepare a Request for Tenancy Approval (RFTA) (form HUD-52517) and provide the propose lease to the family.
- e) The family will take these documents to the PHA, and the PHA will proceed with the process to approve or disapprove the RFTA. (See Chapter 8. A. Request for Tenancy Approval).

CHAPTER 7. Housing Quality Standards and Inspections

A. Applicable Quality Standards

Any housing unit contracted with the PHA will meet the minimum Housing Quality Standards (HQS) as set forth in 24 CFR 982.401.

B. Initial HQS Inspection

1. The Initial HQS Inspection will be conducted to:
 - a) Determine if the unit and property meet the HQS defined in this Plan.
 - b) Document the current condition of the unit to assist in future evaluations as to whether or not the condition of the unit exceeds normal wear and tear.
 - c) Document the information to be used for determination of rent-reasonableness.
2. If the unit fails the initial Housing Quality Standards inspection, the family and owner/landlord will be advised to notify the PHA once repairs are completed.
3. The owner/landlord will be given up to thirty (30) days to correct the items noted as Fail, at the Inspector's discretion, depending on the amount and complexity of work to be done.
4. The owner/landlord will be allowed one (1) re-inspection for repair work to be completed.
5. If the time period given by the inspector to correct the repairs has elapsed or the maximum number of failed re-inspections has occurred, the PHA will notify the family in writing of the denial of the RFTA and grant the family the voucher suspension time (the date the RFTA was submitted to the date the PHA notified the family in writing of the denial of the RFTA) to allow the family to select another unit.
6. PHAs with up to 1,250 budgeted units must conduct the inspection within 15 days after the family or owner submits a request for tenancy approval.

C. Annual HQS Inspections

1. Annual inspections may be conducted 90-120 days prior to the anniversary month of the HAP contract or the anniversary month of the most recent initial or annual inspection, unless biennial inspections are performed.
2. Biennial inspections may be performed. Specifications to identify units that may be exempt from biennial inspections may be developed.
3. HQS deficiencies, which cause a unit to fail, must be corrected by the owner/ landlord unless it is a fail for which the tenant/participant is responsible.
4. The family must allow the PHA to inspect the unit at reasonable times with reasonable notice.
5. Reasonable hours to conduct an inspection are between 9:00 a.m. and 5:00 p.m.
6. The family shall be notified in writing at least one (1) day prior to the inspection, unless the inspection involves a potentially life-threatening item.
7. If the family does not contact the PHA to reschedule the inspection, or if the family has missed two (2) inspection appointments, the PHA will consider the family to have

violated a Family Obligation and their assistance may be terminated in accordance with the termination procedures in this Plan.

8. Time Standards for Repairs

- a) Life-threatening HQS fail items must be corrected by the owner/landlord or resident, if responsible, within twenty-four (24) hours of notification.
- b) For non-emergency items, repairs must be made within thirty (30) days.
- c) Extensions may be granted in lieu of abatement in the following cases:
 - (1) There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services;
 - (2) The repairs are expensive (such as exterior painting or roof repair) and the owner/landlord needs time to obtain the funds;
 - (3) The repairs must be delayed due to climate conditions; and
 - (4) The extension will be made for a period of time not to exceed thirty (30) days. At the end of that time, if the work is not completed, the HAP may be abated or the contract terminated.

D. Complaint Inspections

- 1. The definition of a Complaint Inspection is either a life-threatening fail item or a non-life-threatening fail item which the owner failed to repair within a reasonable amount of time after receiving notice from the tenant.
- 2. Complaint inspections for non-life-threatening items must be performed fifteen (15) calendars days after receiving the complaint.
- 3. For some minor fail item complaints, the PHA may allow the tenant to perform the complaint inspection. A repair based on the tenant's inspection may be sent to the owner.
- 4. The PHA may also conduct complaint inspection based on information from third-parties such as neighbors or public officials.
- 5. The PHA may inspect only the items that were reported, but if the inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.
- 6. The PHA will provide the owner/landlord a notice with a copy of the inspection report identifying the HQS violations. The notice will specify the time allowed for corrective action and tell the owner/landlord to contact the PHA when the unit is ready for re- inspection.
- 7. If the tenant/participant is responsible for repairs they will be notified of the time allowed to take corrective action.
- 8. If the anniversary date is within 120 days of a special inspection, the special inspection may be categorized as "annual" and all annual procedures will be followed.

E. Quality Control Inspections

1. Quality Control inspections will be performed by a supervisor or other qualified staff member using the same minimum sample size as is now required for other supervisory quality control reviews pursuant to the SEMAP regulations. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.
2. The results of the inspection are reviewed with the inspector.
3. Housing Quality Standards Control Inspections Reports are compared with Annual Inspection Reports recently completed by inspection staff. Discrepancies between the two (2) inspection reports are evaluated. Discrepancies categorized as inspector error are catalogued and reviewed with the inspector. The review is to be instructional and informational, not punitive.

F. Life-Threatening HQS Deficiencies

1. Life-threatening complaint inspections must be performed within twenty-four (24) hours of receiving the complaint. Tenants complaining about a natural gas or carbon monoxide leak are to be told to leave the area immediately and call 911.
2. Items of an emergency nature must be corrected by the owner/landlord or resident, whoever is responsible, within twenty-four (24) hours of notice by the inspector.
3. If the emergency repair item(s) are not corrected in the time period required by the PHA and the owner/landlord is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.
4. If the emergency repair item(s) are not corrected in the period required and it is an HQS breach that is a family obligation, assistance to the family may be terminated.
5. The PHA considers the following to be life-threatening violations:
 - a) Exposed electrical wiring,
 - b) Inoperable or defective GFI,
 - c) Gas leak,
 - d) Carbon monoxide,
 - e) Inoperable or missing smoke detectors,
 - f) Inoperable or missing locks on exterior doors,
 - g) Inoperable or missing locks on windows reachable from the ground,
 - h) No hot or cold water,
 - i) Inability to maintain adequate heat, and
 - j) Major plumbing leaks.

These violations must be corrected or abated within twenty-four (24) hours.

G. Enforcement of Owner/Landlord Responsibilities (Non-Emergency Items)

1. When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner/landlord is responsible for completing the necessary repair(s) in the time period specified by the PHA, the assistance payment to the owner/landlord will be abated.
 - a) A Notice of Abatement will be sent to the owner/landlord, and the abatement will be effective from the day after the date of the failed inspection. The notice is generally for thirty (30) days, depending on the nature of the repair(s) needed.
 - b) The PHA may inspect abated units within three (3) days of the owner's/ landlord's notification that the work has been completed.
 - c) If the owner/landlord makes repairs during the abatement period, payment will resume on the day the unit passes inspection.
 - d) The PHA will advise owners/landlords and tenant/participant of when the re- inspection will take place and request owner/landlord/tenant to be present.
 - e) No retroactive payments will be made to the owner/landlord for the period of time the rent was abated and the unit did not comply with HQS.
2. Termination of Contract
 - a) If the owner/landlord is responsible for repairs, and fails to correct all the deficiencies cited prior to the repair deadline or extension, the contract may be terminated.
 - b) If repairs are completed before the effective termination date, the termination may be rescinded if the tenant/participant chooses to remain in the unit.

H. Determination of Responsibility

1. Certain HQS deficiencies are considered the responsibility of the family:
 - a) Resident-paid utilities not in service;
 - b) Failure to provide or maintain family-supplied appliances; and
 - c) Damage to the unit or premises caused by a household member or guest beyond "normal wear and tear" is defined as items which would be charged against the resident's security deposit under state law or court practice.
2. The owner/landlord is responsible for all other HQS violations, which includes smoke alarms.
3. The owner/landlord is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner/landlord may evict for serious or repeated violation of the lease. The PHA may terminate the family's assistance on that basis.
4. The inspector will make a determination of owner/landlord or family responsibility during the inspection.
5. If the family is responsible but the owner/landlord carries out repairs, the owner/ landlord will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

I. Enforcement of Family Responsibilities

1. If non-emergency violations of HQS are determined to be the responsibility of the family, the family shall make any repair(s) or corrections within thirty (30) days. If the repair(s) or correction(s) are not made in this time period, the PHA will terminate assistance to the family. The Executive Director must approve extensions in these cases. The owner's/landlord's rent will not be abated for items that are the family's responsibility.
2. If the resident is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

J. Special Inspection

1. A special inspection is any inspection that is not an initial, annual, complaint, quality control or repair inspection.
2. A PHA may perform a special inspection on units if it has evidence that a particular owner/property manager or tenant may not be paying adequate attention to maintaining property to meet HQS.
3. If special inspections are performed, the PHA will take care to not violate any Fair Housing or Section 504 regulations.

K. Housing Quality Standards Re-Inspection Fees

1. The PHA has established a fee to owners for a re-inspection under two circumstances:
 - a) If an owner notifies the PHA that a deficiency cited in the previous inspections has been repaired and a re-inspection reveals that it has not; and/or
 - b) If the allotted time for repairs has elapsed and a re-inspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing has not been corrected.
2. PHAs must not apply the fee to an owner for:
 - a) Deficiencies caused by the participant family;
 - b) Initial inspections;
 - c) Regularly scheduled inspections;
 - d) An instance in which an inspector was unable to gain access to a unit; or
 - e) New deficiencies identified during a re-inspection. If new deficiencies are uncovered during re-inspection, a PHA should follow normal procedures to address these newly identified deficiencies.

An owner who is assessed a fee may not pass the fee on to a family.

3. The re-inspection fee will be assessed and made payable after the first re-inspection, but prior to the second re-inspection:
 - a) For initial re-inspection: The owner will be required to make payment prior to the inspector arriving for the second re-inspection. The owner will be required to submit the payment directly to the PHA in the form of a money order or cashier's check.
 - b) For regularly scheduled re-inspections: The owner will be required to make payment prior to the inspector arriving for the second re-inspection. The owner will be

- required to submit the payment directly to the PHA in the form of a money order or cashier's check.
4. There will be a separate fee assessed for each re-inspection conducted after the first failed re-inspection. The fees will be assessed as follows:
 - a) \$25 for second re-inspection.

Chapter 8. Request for Tenancy Approval, Disapproval of Owner/Landlord, Rent Reasonableness, Execution of Lease and HAP Contract, and Rent Increase

A. Request for Tenancy Approval

1. Upon finding a unit that is suitable and if the owner/landlord is willing to lease the unit to the family under the HCV Program, the family must request tenancy approval of the unit from the PHA. The following documents must be submitted to the PHA to begin the process of approving the unit selected by the family. These documents are:
 - a) Request for Tenancy Approval (RFTA) (form HUD-52517);
 - b) A copy of the proposed lease (unsigned) between the owner and the family (this must include the HUD prescribed tenancy addendum).
2. The RFTA must be completed in full, signed by the owner/landlord, and submitted to the PHA no later than the expiration date stated on the voucher.
3. The following are acceptable methods of submitting the RFTA and unsigned lease:
 - a) Family delivery in person without appointment,
 - b) Family calls for appointment then delivers,
 - c) Landlord delivers without appointment, or
 - d) Landlord calls for appointment then delivers.
4. The owner/landlord must certify, on form HUD-52517, the most recent amount of rent charged for the unit. If there is any difference between the prior rent charged and the proposed rent, the owner/landlord must provide an explanation for the difference. The PHA may require supporting documentation for the difference in rent when applicable.
5. The owner/landlord must certify that they are not related to any member of the family (parent, child, grandparent, grandchild, sister or brother). The certification will not be required if the PHA has granted the family a request for reasonable accommodations for a person with disabilities who is a member of the tenant household.
6. For units built prior to 1978, the owner/landlord must either:
 - a) Certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspection; or
 - b) Attach a lead-based paint disclosure statement.
7. The PHA will permit a family to submit only one Request for Tenancy Approval at a time.

B. PHA's Approval of the Tenancy

1. The PHA will ensure that the following program requirements have been met prior to approving the Request for Tenancy Approval:
 - a) The unit is eligible;
 - b) The unit has been inspected by the PHA and meets HQS;
 - c) The proposed lease includes the HUD prescribed tenancy addendum;

- d) The proposed rent by the owner/landlord is reasonable.

The PHA will review the rent to owner to determine if the rents are reasonable. During the HAP contract term, the rent to owner at no time may exceed the reasonable rent for the contract unit as most recently determined by the PHA.

24 CFR 982.507(a)(3) provides that the PHA may determine the reasonable rent of units under contract at any time. The PHA may also request information at any time from the owner to ensure that the rent to owner does not exceed rents charged by the owner for comparable unassisted units in the premises.

The owner must give the PHA any information requested by the PHA on rents charged by the owner for other units in the premises or elsewhere. If the rent to owner is not reasonable as most recently determined by the PHA, the owner must reduce the rent to owner to the reasonable amount or the HAP contract must be terminated.

2. The PHA will not approve a Request for Tenancy Approval if the unit that is chosen is one of the following:
 - a) Public or Indian housing unit;
 - b) Unit receiving Section 8 project-based assistance;
 - c) Nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services;
 - d) College or other school dormitories;
 - e) Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; or
 - f) Unit occupied by the owner or by a person with interest in the dwelling unit.

C. Notification to Family and Owner/Landlord

1. The PHA will promptly notify the family and the owner/landlord of approval of the Request for Tenancy Approval.
2. The PHA will promptly notify the family and the owner/landlord of disapproval of the Request for Tenancy Approval. The notification will provide the reason(s) for disapproval. The notification will also provide the owner/landlord and family with an opportunity to correct the problems within thirty (30) days.

D. PHA's Disapproval of Owner/Landlord

1. The PHA will not approve an assisted tenancy if:
 - a) The owner/landlord is debarred, suspended, or subject to a limited denial or participation;
 - b) The federal government has instituted an administrative or judicial action against the owner/landlord for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending; or
 - c) A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

2. The PHA will not approve a lease if the owner/landlord of the unit is the parent, child grandparent, grandchild, sister or brother of the Section 8 household. An exception may be made to this provision as a reasonable accommodation for a person with a disability.
3. The PHA will not approve contracts in which any of the following parties have current interest in the HAP contract, or will have an interest in the HAP contract for one year thereafter.
 - a) Present or former member or officer of the PHA, except a participant commissioner;
 - b) Employee of the PHA or any contractor, subcontractor, or agent of the PHA who formulates policy or influences program decisions;
 - c) Public official, member of a governing body, or state or local legislator who exercises functions or responsibilities related to the program; or
 - d) Members of the U. S. Congress.

E. PHA's Discretion to Disapprove Landlord

The PHA, at its discretion, will disapprove an owner/landlord for any of the specific reasons listed below:

1. Violation of obligations under one or more HAP contracts;
2. Acts of fraud, bribery or other corrupt or criminal act in connection with any federal housing programs;
3. Participation in any drug related activity or any violent criminal activity;
4. Current or previous practice on non-compliance with HQS and/or state and local housing codes or with applicable housing standards for units leased under any other federal housing programs;
5. Current or prior history or refusing to evict Housing Choice Voucher Program or other assisted housing tenants for activity by the tenant, any member of the household, a guest, or another person(s) under the control of any member of the household that:
 - a) Threatens the right to peaceful enjoyment of the premises by other residents;
 - b) Threatens the health or safety of residents, PHA employees, or owner employees;
 - c) Threatens the neighbors' health or safety, or neighbors' right to peaceful enjoyment of their residence; or
 - d) Engages in drug related criminal activity or violent criminal activity.
6. Fails to pay state or local real estate taxes, fines, or assessments.
7. The PHA will not allow the owner/landlord to present evidence to appeal the decision to deny their participation in the program.

F. Rent Reasonableness Determination and Documentation

1. The PHA will not approve a lease until it is determined that the initial rent to the owner/landlord is a reasonable rent. The PHA must also determine the reasonable rent before any increase in the rent is approved, and if there is a five percent (5%) decrease in the published FMR in effect sixty (60) days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

2. The PHA will also determine rent reasonableness when the owner/landlord requests an increase in the rent for a voucher unit.
3. Local government or independent entities (approved by HUD) must perform HQS inspections and rent reasonableness determinations for PHA-owned units leased by voucher holders:
 - a) The PHA will pay expenses associated with the performance;
 - b) The family cannot be charged for these services; and
 - c) The PHA may use administrative fee income to compensate the independent agencies for their services.
4. The following items will be used for rent reasonableness documentation:
 - a) Size (square footage)
 - b) Number of bedrooms
 - c) Location
 - d) Quality
 - e) Amenities (number of bathrooms, dishwasher, air conditioning, etc.)
 - f) Age of unit
 - g) Unit type
 - h) Utilities
5. The following basic methodology is used to certify that the requested rent is reasonable in relation to rents being charged for unassisted units:
 - a) PHA collects the required data concerning the unit to be assisted from the Request for Tenancy Approval and during the inspection.
 - b) Data from comparable units may be collected from the following sources:
 - (1) Multiple Listing Service (MLS);
 - (2) Newspapers and owner/landlord interviews;
 - (3) Other methods as needed;
 - (4) Owner/agent questionnaires; or
 - (5) On-site visits.
 - c) Data concerning at least three (3) comparable units and the assisted unit may be recorded on a Rent Reasonableness Determination (RRD) form. This form may be attached to the inspection records.
 - d) The data on the RRD form is analyzed and an approvable rent is determined and recorded on the RRD with the date and name of the staff person.
 - e) The analysis may either utilize the appraisal method comparing point or dollar values or the standard deviation method using rents adjusted for all of the comparable items.
 - f) Rent rolls may be requested from owner/agents if needed to determine that rents charged for unassisted units in a complex are favorably comparable to the assisted unit.

- g) The processes may be conducted manually or through the use of a compliant, automated system.
- 6. The PHA must re-determine rent reasonableness if directed by HUD. The PHA may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner/landlord may not exceed the reasonable rent as most recently determined or re-determined by the PHA.
- 7. The owner/landlord will be advised that by accepting each monthly housing assistance payment he/she will be certifying that:
 - a) The rent to owner/landlord is not more than rent charged by the owner/ landlord for comparable unassisted units in the premises;
 - b) The assisted family is currently occupying the unit;
 - c) The assisted family is not in violation of lease obligations; and
 - d) The owner/landlord is in compliance with the terms of the Section 8 HAP Contract.

G. Execution of the Lease and HAP Contract

- 1. The owner/landlord and tenant must execute the HUD mandated Lease Addendum **after** the owner's/landlord's lease is approved by PHA.
- 2. If the PHA determines that the proposed lease is determined unacceptable, the PHA will immediately notify the tenant and landlord of the necessary corrections. The owner/landlord has ten (10) calendar days to amend it and resubmit it to the PHA.
- 3. The PHA recommends the use of the standard lease designed by the PHA. However, the PHA allows all owners/landlords to use their own lease if it contains the required provisions listed in number 9 below. The lease must also have Form HUD 52641-A: Tenancy Addendum attached as part of the lease.
- 4. The effective date of the lease and HAP Contract shall be on the same date or after the unit passes the HQS inspection.
- 5. The lease and contract should be executed within thirty (30) days of the effective date.
- 6. The lease must be consistent with state and local laws.
- 7. The lease must be generally applied to unassisted residents.
- 8. Defines resident's legal capacity as having legal capacity under state and local law and that "the resident" is bound by the terms of the lease and may enforce the lease against the owner.
- 9. At a minimum, the lease must include:
 - a) The tenants and owner's/landlord's name;
 - b) The term of the lease (and any conditions of renewal);
 - c) The monthly rent to owner/landlord;
 - d) Specifications regarding which utilities and appliances are furnished by the owner/landlord and which by the tenant;
 - e) Clarification of the conditions under which execution of a new HAP contract and PHA approval of the lease would be required:
 - (1) Change in owner/landlord or tenant-provided utilities or appliances;

- (2) Changes in the term of the lease;
 - (3) Family moves to a new unit in the same building or complex.
10. Change in rent does not necessitate a new contract, or new lease, unless local or state law requires a new lease.

H. Rent Increases

The owner/landlord must submit a rent increase in accordance with the HAP Contract. The tenant/participant must be served with the notice of the increase in rent and the effective date must be no sooner than sixty (60) days after the notice date. The PHA must receive a copy from the owner/landlord in order to process the increase.

Upon receipt of the notice of rent increase the PHA must determine if the increased rent meets the rent reasonableness standard. In areas where there is rent control, the PHA must determine whether or not rent control restrictions also impact the rent increase.

In cases where the PHA cannot justify the rent increase through rent reasonableness, the owner/landlord must be notified in writing. The owner/landlord may appeal the PHA's decision, providing the PHA with non-assisted comparable units in his/her property receiving the requested rent. If the PHA does not approve the increase, the tenant/participant cannot assume the burden of the increase.

Owners/landlords may request and HUD may approve a special rent increase pursuant to the HAP Contract.

I. Housing Authority Owned Housing

Units owned by the Housing Authority and not receiving subsidy under any other program are eligible housing units for Housing Choice Voucher holders. In order to comply with federal regulation, the Housing Authority will do the following:

1. The PHA will make available through the briefing process both orally and in writing the availability of PHA owned units (notification will also include other properties owned/managed by the private sector available to Housing Choice Voucher holders).
2. The PHA will obtain the services of an independent entity with HUD approval and will compensate the independent agency/agencies from our ongoing administrative fee income to perform the following functions:
 - a) Determine rent reasonableness for the unit. The independent entity will communicate the rent reasonableness determination to the family and the PHA.
 - b) To assist the family in negotiating the rent.
 - c) To inspect the unit for compliance with HQS.

Chapter 9. Payment Standards

A. Establishing Payment Standards

1. Each year, the PHA will establish Payment Standards between 90-110% of the current Fair Market Rent. HUD approval will be obtained if subsidy amount is below or above established FMR. If below FMR, HUD will not approve if more than forty percent (40%) of the PHA's participants are paying a family share above thirty percent (30%) of adjusted monthly income.
2. When the Payment Standard is adjusted, staff will make the appropriate changes during the family's annual reexamination.
3. Factors that the PHA may review on an annual basis, within sixty (60) days of the publication of the Fair Market Rents schedule, include the following:
 - a) Participant rent burdens (percent of Tenant Rent to adjusted household income);
 - b) Participant rent burden relative to the quality of units selected by participant families;
 - c) Participant rent burden relative to availability by bedroom size;
 - d) Actual contract rents for specific bedroom sizes;
 - e) Actual rent increases for participating households;
 - f) The average time period for finding eligible housing;
 - g) Rent reasonableness data;
 - h) The local vacancy rate; and
 - i) Prior approved rent exceptions will apply.
4. If the Payment Standard is decreased, the new Payment Standard will not be applied until the second annual reexamination after the date of the decrease in Payment Standard as long as the participant remains in place under the current HAP Contract and lease.

B. Maximum Initial Rent Burden

When executing an initial lease, families may not pay more than forty percent (40%) of monthly-adjusted income.

C. Procedures for Evaluation

During the annual evaluation process, the PHA may use the Maximum Initial Rent burden as a constant to determine what impact an increase in the Payment Standard will have on the number of families who can be assisted.

CHAPTER 10. Owner/Landlord Responsibility for Screening Residents

A. Owner Landlord Screening

1. Listing a family on the PHA waiting list, or selecting a family for participation in the program, is not a representation by the PHA to the owner/landlord about the family's expected behavior, or the family's suitability for tenancy. At or before PHA approval to lease a unit, the PHA must inform the owner/landlord that the PHA has not screened the family's behavior or suitability for tenancy and that such screening is the owner's/landlord's own responsibility.
2. Owners/landlords are permitted and encouraged to screen families on the basis of their tenancy histories. An owner/landlord may consider a family's background with respect to such factors as:
 - a) Payment of rent and utility bills;
 - b) Caring for a unit and premises;
 - c) Respecting the rights of others to the peaceful enjoyment of their housing;
 - d) Drug-related criminal activity or other criminal activity that is a threat to the life, safety or property of others; and
 - e) Compliance with other essential conditions of tenancy.

B. PHA Information About Resident

1. If requested in writing, the PHA must give the owner/landlord:
 - a) The family's current and prior address (as shown in the PHA records); and
 - b) The name and address (if known to the PHA) of the owner/landlord at the family's current and prior address.
2. The PHA will give the family a statement of the PHA's policy on providing information to owners/landlords. The statement will be included in the information packet that is given to a family selected to participate in the program.
3. The PHA will limit use and disclosure of family information obtained through release and consent procedures solely for program administration purposes.

CHAPTER 11. Payments to Owners/Landlords

A. Controls And Accountability

1. All HAP payments are computed according to HUD approved formulas and schedules.
2. New contracts are dated on or after the unit are approved and the participant has moved in.
3. Computations are reviewed before being submitted for payment.
4. A HAP register is maintained to monitor timeliness and accuracy.
5. The owner/landlord may not charge extra for items customarily included in rents in the locality or provided at no additional cost to the unsubsidized residents on the premises.

B. Basic Procedures

1. Annual rent increases are effective the first of the month.
2. PHA internal requests for payments are submitted by no later than the 25th of each month to ensure that payments can be reviewed for accuracy and so that payments are made in a timely manner to the owners/landlords.
3. The PHA will generate an EIV Deceased Tenants Report prior to requesting payment be made to owner. The PHA will review and follow up in accordance with Chapter 13 F of this Plan.
4. Payments are made to the owners/landlords by check.
5. When applicable, the tenant's utility reimbursement payments are made directly to the tenant.

C. HAP Late Payments to Owners/Landlords

The HAP contract provides for penalties against the PHA. To assess such fees, the policy and practice must meet the following criteria:

1. The penalties follow the generally accepted practice and law in the local housing market;
2. The owner/landlord charges both assisted and non-assisted residents;
3. The owner/landlord charges the resident for late rent payments;
4. PHA will not be penalized for circumstances that are beyond their control;
5. The HAP payment is considered received once it has been mailed (or electronically deposited) by the PHA; and
6. The first HAP payment of a contract is not considered as a late payment.

CHAPTER 12. Annual and Interim Reexamination

A. Annual Reexamination

1. Reexamination of family income and composition will be conducted at least annually for families in the Housing Choice Voucher Program. The family will be requested to provide information on income, assets, allowances and deductions, and family composition at least annually.
2. The annual reexamination will be conducted no later than ninety (90) days prior to the anniversary date.
3. Families will be obligated to supply any information that the PHA or HUD determines is necessary for use in regularly scheduled reexaminations or an interim reexamination. Failure to provide documentation will result in termination of assistance.
4. Families must submit consent forms for obtaining wage and claim information from federal, state, or local agency to furnish or release to the PHA such information determined necessary.
5. The PHA will obtain and document in the family's file the third-party verification received or document why it is not available.
6. The annual re-certification date shall be the first of the month in which the lease was executed.
7. When families move to another dwelling unit, an annual re-certification will be scheduled.
8. Income limits will not be used as a test for continued eligibility at re-certification.
9. Reexamination Notice to the Family
 - a) The PHA will maintain a reexamination tracking system and at least ninety (90) days in advance of the scheduled annual reexamination effective date, the head of household will be notified by mail that she/he is required to attend a reexamination interview on a specified date (or rescheduled in advance if the scheduled date is unacceptable).
 - b) The notice will inform the family about what documents the family must bring to the re-certification interview.
 - c) If requested as an accommodation by a person with a disability, the PHA will provide the notice in an accessible format.
 - d) A home visit or telephone interview may be conducted for elderly or disabled clients.
 - e) If requested by an elderly or disabled client, a family representative or social service representative may assist with the process.
 - f) All family members eighteen (18) years of age or older must attend the annual reexamination appointment.
10. Verification of Information Provided
 - a) The PHA will follow the verification procedures and guidelines described in Chapter 5 of this Plan. Income verifications for reexaminations must be less than sixty (60) days old.

- b) Families declaring zero income may be required to execute verification forms to verify that sources of income such as unemployment benefits, TANF, SSI, etc. are not received by the household. The PHA may request information from the state employment office.
- c) For families with zero income, reexamination is scheduled no less than every ninety (90) days. The family is required to provide proof of assistance by methods of contribution letter, receipts, or agency confirmation.

B. Interim Reexaminations

1. Increases in income must be reported to the PHA in writing within ten (10) calendar days of the effective date of the increase.
2. The PHA will determine whether or not the increase warrants an interim reexamination.
3. The tenant may report decreases in income and request an interim reexam to adjust the rent.
4. The PHA will conduct interim reexaminations of the family income, composition and other eligibility factors to adjust the Total Tenant Payment for the following reasons:
 - a) For families, whose income cannot be projected with any reasonable degree of accuracy, special reexaminations will be scheduled not more than every thirty (30) days;
 - b) For families where an error was made at admissions or reexamination; that family will not be charged retroactive rent (increase) for error(s) made by PHA personnel;
 - c) For families whose rent was based on false or incomplete information supplied by the applicant/participant;
 - d) For families who requested a review due to a decrease in income or increase in allowable expenses;
 - e) For families who have had their rent reduced under a previously requested reexamination;
 - f) For families who have added and/or deleted member(s) of their household from the original family composition; (mandatory that this be reported to PHA);
 - g) For families, whose income source is changed including changing from one full time employer to another, receipt of an unscheduled increase in wages, or receipt of an increase in benefits such as Social Security, SSI, and TANF.
 - h) For families or household members previously reporting zero income, special reexaminations will be scheduled not more than every thirty (30) days; and
 - i) Any requirements imposed by HUD.

C. Failure to Respond to Annual or Interim Reexamination Notice

1. The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to one (1) day prior to the interview.
2. If the family does not appear for the re-certification interview, and has not rescheduled or made prior arrangements with the PHA, the PHA will reschedule a second appointment.

3. If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the PHA will send the family notice of termination and offer them an informal hearing.
4. Exceptions to these policies may be made if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.
5. Participants will be mailed one initial reexamination notice and a maximum of one (1) additional scheduled reexamination appointment. Failure to respond to either notice will result in termination of assistance.
6. Extenuating circumstances may be considered at the discretion of the PHA. The second appointment notice must be mailed immediately (within one business day of the first appointment), allowing the participant ten (10) working days for the next scheduled appointment.

D. Changes to Tenant Rent

1. When the family income information is analyzed, and all other re-certification requirements have been met, the Tenant Rent will be recalculated.
2. The PHA will notify both the owner/landlord and resident in writing of the new rent shares.
3. Changes in Family Share at Annual Reexamination

Increases or decreases in family share are effective on the anniversary date unless the family has caused a delay in the reexamination process or fails to report all income and deductions.

When the family causes a delay or fails to report a change, a decrease in family share will become effective the first day of the month following verification of the change. An increase will be effective retroactively to the earlier of the anniversary date or the first day of the month following the increase.

4. Changes in Family Share at Interim Reexamination

An increase in family share is effective the first day of the month following a thirty (30) day notice from the PHA if reported by the family within ten (10) days of the increase.

If the family has not reported the increase within ten (10) days, the increase will be retroactive to the first day of the month following the increase in income.

Decreases in family share are effective the first day of the month following verification of the reported amount of decreased income or increased deductions.

5. Increases in family share as a result of receipt of the Earned Income Disallowance (EID) will be effective the first day of the month following notification by the PHA.
6. If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the anniversary date or at the discretion of the PHA, the resident may be placed on a promissory note or terminated from the program.
7. If there is a rent decrease, it will be effective on the first day of the month following reexamination date (unless the family has caused a delay in reexamination processing).

8. Retroactive rent is charged when the participant has failed to provide information within the required time period.
9. Rent will be prorated when a mixed family is not eligible for continued assistance or deferral of termination; chooses not to defer termination; or is at the end of the deferral period. The total housing subsidy is calculated in the usual manner for either assistance programs, using income for all family members. Prorated assistance is calculated by multiplying the total subsidy by a fraction that shows the number of eligible family members as the top number and is divided by the number of total family members as the bottom number.

E. Requirements to Add Family or Household Members

The PHA is required to amend the lease when there are additions or deletions to the family composition. The following requirements pertain to family additions:

1. General

- a) All family or household additions other than those listed in 2.c) below, must be approved by the PHA. This includes family members, live-in aides and foster children.
- b) If the addition of a foster adult or child will result in an HQS violation, the request to add them will be denied.
- c) The family will be issued a voucher and required to move to an appropriately sized unit if the addition of a family member or a live-in aide will result in an HQS violation

2. Minors

- a) The PHA will require birth certificate and Social Security Numbers for minors. Failure to provide social security number will result in termination of assistance for failure to comply with program requirements.
- b) For a parent or another person having custody or guardianship of such individual or individuals the PHA will require one of the following documents:
 - (1) Court-order assignment; or
 - (2) Statement from parent/guardian assigning custody or guardianship; or
 - (3) Custody agreement filed in a court of law; or
 - (4) Adoption papers; or
 - (5) Verification from social service agency
- c) Adding family members resulting from birth, court awarded custody or adoption shall not require Agency approval. The family must notify the PHA within ten (10) days of the addition.

3. Persons eighteen (18) years of age or older:

When the participant requests an adult person (defined as someone 18 years of age or older) be added to the family composition, the following will be required:

- a) Photo identification, social security number, verification of income and all other eligibility related requirements. The individual will be required to sign HUD form 9886 (Release of Information);

- b) The adult is subject to the same screening and eligibility requirements as the assisted family.
 - c) The assisted family may request a review if the PHA denies admission to the adult. Because the adult member who wished to be added has no formal relationship with the PHA, she/he will not be afforded a review of the reasons for denial.
4. The PHA will notify the family in writing if there is a determination to deny the addition of any family member(s). The family may appeal by requesting an Informal Hearing as outlined in this Plan.

CHAPTER 13. Termination of Assistance

A. Basic Policy

The PHA may terminate assistance for a family because of the family's action or failure to act. The PHA will provide families with a written description of the family obligations under the program, grounds under which the PHA can terminate assistance, and the informal hearing procedures.

B. Reasons the PHA May Terminate Assistance

1. Any family member is engaged in drug-related criminal activity, violent criminal activity, or other criminal activity, including criminal activity.

Drug-related criminal activity is defined as the illegal use or possession for personal use, manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute a controlled substance (as defined in the Controlled Substance Act.).

Violent criminal activity includes any criminal activity that has as one of its elements the use, attempted use or threatened use of physical force against the person or property of another.

2. Any family member is engaged in the abuse of alcohol to the extent that the abuse interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

Abuse of alcohol includes behavior or a pattern of behavior of any Section 8 program participant and any family member and/or guest that as a result of the abuse of alcohol interferes with the health, safety, or right of peaceful enjoyment of the premises by other residents.

3. The PHA may not terminate assistance for such use or possession by a family member, if the family member can demonstrate that he/she:
 - a) Has an addiction to a controlled substance, has a record of such impairment, or is regarded as having such an impairment; and
 - b) Is recovering or has recovered from such an addiction and does not currently use or possess controlled substances. In this instance, the PHA shall require the family to submit evidence of participation in, or successful completion of, a treatment program as a condition of continued assistance for the family or to allow the affected family member to reside in the assisted units.
4. As a measure to determine whether the person has violated this family obligation, one of the following situations must be present:
 - a) There is a preponderance of evidence for currently engaging in drug-related criminal activity or violent criminal activity (as defined above) or other criminal activity, including criminal activity by any family member within twelve (12) months; or
 - b) The family has been evicted from federally-assisted housing in the last three (3) years (see 24 CFR Sec. 982.552) for engaging in drug-related criminal activity or violent criminal activity (as defined above) including criminal activity by any family member;

- c) Drug-related or criminal activity in, on or near the premises by any tenant, household member, or guest, and any such activity engaged in on the premises by any other person in the tenant's control.
- 5. Families who are guilty of program abuse or fraud in any federal housing assistance program. (This presupposes that the program abuse or fraud is substantiated and that a Repayment Agreement was not entered into.)
- 6. Families who have violated one of their family obligations.
- 7. Families who are in default of an executed Repayment Agreement by missing two (2) payments.
- 8. Families whose Total Tenant Payment is sufficient to pay the full gross rent and where 180 days has elapsed since the PHA's last HAP payment was made.
- 9. Families whose appropriate household members do not provide their Social Security information and documentation within the time required and specified by the PHA.
- 10. Families who fail to comply with HUD requirements for assistance to non-citizens.
- 11. Income limits are solely used to determine eligibility for initial applicants. Income limits are not a consideration for termination of assistance once the family is under lease and contract and already "on the program".

However, the following examples may be reasons for termination of assistance:

- a) If the family did not report an interim change in family composition or income, etc., which they were required to report, the PHA would determine how much the family owed the PHA, due to the unreported or untimely reporting of information.
- b) If the PHA entered into a Repayment Agreement with the family for unreported family income or multiple occasions of unreported income, and the family is current in its payments to the PHA, there is no reason to terminate the family's assistance.
- c) If the family stops paying on their Repayment Agreement, the family will be under the termination of assistance procedures above.
- 12. If a participant signs an agreement with an owner/landlord to pay for the owner/ landlord to repair resident-caused HQS fail items, and the participant fails to repay the owner/landlord pursuant to said agreement, assistance may be terminated.
- 13. If a household member is fleeing to avoid prosecution, or custody or confinement after prosecution for a crime that is a felony under the law of the place from which the individual flees; or violating a condition of probation or parole imposed under state or federal law. Note: In New Jersey, a felony is called a high misdemeanor. Therefore, a person fleeing New Jersey to another state is not eligible for public housing.
- 14. If a family member has violated or is violating a condition of probation or parole imposed under federal or state law.
- 15. If any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
- 16. A perpetrator of domestic violence, dating violence, sexual assault, or stalking.
- 17. An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and shall not be good cause for

terminating the assistance, tenancy, or occupancy rights of the victim of such violence. Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant/participant's household or any guest or other person under the tenant/participant's control shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant/participant or an immediate member of the tenant/participant's family is the victim or threatened victim of that domestic violence. This does not limit the authority of the PHA to:

- a) Terminate voucher assistance to individuals who engage in criminal acts of physical violence against family members or others.
- b) Terminate voucher assistance to a tenant/participant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant/participant's household, provided that the public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking to a more demanding standard than other tenants/participants in determining whether to terminate.
- c) Terminate voucher assistance to a tenant if the public housing agency can demonstrate an actual and imminent threat to other tenants/participants or those employed at or providing service to the property or PHA if that tenant/participant is not evicted or terminated from assistance.

18. Use of Criminal Record

a) Termination of Assistance

If a PHA proposes to terminate assistance for criminal activity as shown by a criminal record, the PHA must notify the household of the proposed action to be based on the information and must provide the subject of the record and the tenant with a copy of the criminal record. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record in accordance with Sec. 982. 555. All information about a victim of domestic violence or stalking that is provided to the PHA and utilized for the purpose of terminating the assistance of the perpetrator or a household who has a household member who is a perpetrator of domestic violence or stalking shall be maintained confidential pursuant to the Violence Against Women Act.

b) Obtaining the Criminal Record

The PHA will use available resources to obtain criminal records. These may include local, state, and federal law enforcement agencies.

The PHA will also utilize consumer reporting agencies to obtain criminal reports. The PHA will supply information required by the Fair Credit Act to any applicant family whose assistance is terminated as a result of the criminal record received from the consumer reporting agency.

c) Cost of Obtaining Criminal Record

The PHA may not pass along to the tenant the costs of a criminal records check.

- d) Permitted use and disclosure of criminal records/sex offender registration records received by the PHA may only be used for applicant screening and/or for lease enforcement and termination. A PHA may disclose criminal convictions as follows:

- (1) To officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information. For example, if the PHA is seeking to terminate assistance of a Section 8 participant on the basis of criminal activity/sex offender status as shown in criminal conviction records, the records may be disclosed to PHA employees performing functions related to the termination or to a PHA hearing officer conducting an administrative grievance hearing concerning the proposed termination.
- (2) If a PHA obtains criminal records from a state or local agency showing that a household member has been convicted of a crime/sex offense relevant to applicant screening or tenant lease enforcement or termination, the PHA must notify the household of the proposed action based on the information obtained. The PHA must also provide the subject of the record and the applicant or participant a copy of such information before a denial of admission, termination, or lease enforcement action on the basis of such information.
- e) If, at any time during the program participation, the PHA has a documented reasonable cause (e.g., newspaper articles, credible informants, police reports) to believe that a household member is engaged in drug-related or other criminal activity which would pose a threat to the health, safety, or right to peaceful enjoyment of the premises by other residents or PHA employees, the PHA may run a subsequent criminal check of that household member.

19. Consideration of Circumstances

In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

- a) The PHA may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstance related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.
- b) In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the PHA may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U. S. C. 13661). For this purpose, the PHA may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.
- c) If the family includes a person with disabilities, the PHA decision concerning such action is subject to consideration of reasonable accommodation in accordance with 24 CFR part 8.

20. Records Management

- a) All criminal information received will be maintained confidentially and not misused or improperly disseminated.
- b) All information provided to an owner, manager, or PHA pursuant to VAWA, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, shall be retained in confidence by an owner, manager, or PHA,

and shall neither be entered into any shared database nor be provided to any related entity, except to the extent that disclosure is requested or consented to in writing by the individual; required for use in an eviction proceeding of an abuser, stalker or perpetrator of domestic violence; or is otherwise required by applicable law.

- c) Such information may be housed in a locked file with access restricted to individuals responsible for screening and determining eligibility and to the Executive Director.
- d) If the applicant is determined to be eligible, the criminal report shall be shredded as soon as the applicant is housed. If the applicant is denied assistance, the criminal record information shall be destroyed immediately upon completion of the hearing or due process procedures and a final decision has been made.
- e) All information received from a drug treatment facility must be maintained confidentially and not be misused improperly or disseminated.
- f) The information must be destroyed either:
 - (1) No later than five (5) business days after the PHA makes a final decision to admit the person to the HCV Program; or
 - (2) If the PHA denies admission, the PHA will destroy the information in a timely manner after the statute of limitations has passed for the individual to file a civil lawsuit.

C. Family Self-Sufficiency (FSS) Participants

The PHA will not deny or terminate the Section 8 assistance if a family fails to comply with the Contract of Participation. However, PHA may take the following action against a Family Self-Sufficiency family:

1. Withhold Supportive Services
 - a) If the family has repeatedly failed to comply with the requirements of the Contract of Participation and/or other rules outlined in the FSS Action Plan, the PHA will withhold supportive services.
 - b) The family will be notified of the action to be taken.
 - c) Recommend probation or terminate the family's participation in the FSS Program.
 - d) If after counseling and negotiating with the family, they still fail to comply with the Contract of Participation, PHA will inform the family of the action to be taken (probation or termination of their participation in the FSS Program).
 - e) The family will have ten (10) days to request an informal hearing. The PHA will conduct the hearing and inform the family within ten (10) days of the hearing of their final decision.
2. Withholding of the Escrow Account

If a family fails to comply with the Contract of Participation and they are terminated from participation in the FSS Program or they leave the program before completion, the escrow account will be withheld according to current regulations.

D. Zero Housing Assistance

1. If the participant's income increases, resulting in a zero-housing assistance payment and the participant is paying the entire contract rent; the participant shall be considered over-income after six (6) consecutive months of zero housing assistance payments. The family will be notified that the zero-housing assistance is available for six (6) months. At that time, if there have been no changes which reflect the ability for the PHA to provide monetary assistance on the contract, the contract and the family's assistance will be terminated.
2. This determination does not preclude the family from asking to terminate assistance immediately, nor does it impact any rights under the lease.
3. Families whose assistance is terminated under this instance will have to reapply for assistance when PHA is accepting applications.

E. Termination of HAP Contract Due to Insufficient Funding

CFR 24 982.454: "The PHA may terminate the HAP contract if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program."

Termination of HAP contracts due to insufficient funding will only be implemented as a last resort and will be compliant with Equal Opportunity and Civil Rights requirements set forth in 24 CFR 982.53 and 903.7(o).

1. Determination of Insufficient Funding
 - a) The PHA will use the following criteria to determine adequacy of funding:
 - 1) If the PHA has adequate funds to service the existing vouchers under HAP contract through the end of the calendar year, funds will be determined to be sufficient and the PHA will not terminate contracts or vouchers due to insufficient funding.
 - 2) If the PHA has inadequate funds to service the existing vouchers under HAP contract through the end of the calendar year, funds will be determined to be insufficient and the PHA may begin procedures to terminate contracts and vouchers due to insufficient funding.
 - 3) In determining if funding under the Consolidated Annual Contributions Contract (CACC) is insufficient to support continued assistance for families in the program, the PHA will take into consideration its available budget authority (which includes unspent prior year HAP funds in the PHA's Non-Restricted Assets account).
 - 4) The PHA will conduct an analysis of funds vs. expenditures using HUD approved methods to determine if funds are insufficient to support the current vouchers under HAP contract through the end of the calendar year.
 - 5) The PHA will notify the HUD field office and its financial analyst at the Financial Management Center (FMC) prior to termination actions due to insufficient funding.

2. Alternative Measures

Before terminating HAP contracts on the basis of insufficient funding, the PHA must ensure that it has carefully considered all cost-savings measures and the impact such terminations will likely have on program applicants and participants.

These may include:

- a) Utilizing alternative sources of unrestricted non-federal funding that may be available.
- b) Reviewing and revising rent reasonableness if necessary.
- c) Ensuring accurate utility allowances.
- d) Requesting receiving Agencies to absorb portability vouchers that are currently being billed.
- e) Denying requests for voluntary portability moves
- f) Implementing interim reexaminations for income increases.
- g) Implementing minimum rents.
- h) Lowering payment standards

3. Owner Notification

- a) The PHA will notify the owner by certified mail, giving as much notice as possible but no less than thirty days prior to the effective date of the termination. Failure to accept certified mail does not constitute failure of the Agency to notify the Owner or Tenant.
- b) The notice of termination will include, at a minimum:
 - (1) The reason for the contract/voucher termination
 - (2) Regulatory and Administrative Plan citations regarding authority to terminate for insufficient funding
 - (3) Effective date of termination
 - (4) Rights and responsibilities of the owner
 - (5) PHA contact person

4. Participant Notification

- a) The PHA will notify the participant by certified mail, giving as much notice as possible but no less than thirty days prior to the effective date of the termination. Notice to a participant under the protection of a court order, Fair Housing Voluntary Compliance Agreement, or the Violence Against Women Act will be delivered a minimum of 60 days prior to the effective date of the termination. Failure to accept certified mail does not constitute failure of the agency to notify the owner or tenant.
- b) The notice of termination will include, at a minimum:
 - (1) The reason for the contract/voucher termination;
 - (2) Regulatory and Administrative Plan citations regarding authority to terminate for insufficient funding;
 - (3) Effective date of termination;
 - (4) Rights and responsibilities of the participant (keep contact info current, etc.);

- (5) Special assistance available from the PHA;
- (6) PHA contact person;
- (7) Information on resuming assistance; and
- (8) Options that may be open to the family (public housing, portability, etc.).

5. Order of Termination

- a) The PHA will terminate families based on the date of admission to the program. Those who have been in the program the longest (first in) will be the first to be terminated (first out).
- b) The following order of priorities will be used when terminating the families:
 - (1) Families with vouchers not yet under HAP contract.
 - (2) Non-elderly, non-disabled families without dependents under 18 years of age or household members with disabilities.
 - (3) All other non-elderly, non-disabled families.
 - (4) Elderly and disabled families.

6. Special Purpose Vouchers

PIH Notice 2012-9: "Should the PHA have to terminate families from its HCV program due to a funding shortfall, HUD-VASH, NED and FUP families that comprise the required number of families served must be last to be terminated."

In the event that termination of Special Purpose Vouchers is necessary, they will be terminated in the following order:

- a) Enhanced Vouchers
- b) Tenant Protection Vouchers (TPV)
- c) Veteran Affairs Supportive Housing (VASH)
- d) Family Unification Program (FUP)
- e) Non-Elderly Disabled (NED)

In each Special Purpose Voucher type the termination order will be consistent with the family structure sequence described in the Order of Termination section above.

7. Resuming Assistance

When funding is adequate to resume issuing vouchers, any family that was terminated due to insufficient funding and wishes to receive Section 8 assistance must reapply and be eligible for assistance. Offers for families to apply will be made in the following order:

- a) Families whose assistance was terminated due to insufficient funding and who meet all eligibility criteria: The opportunity to apply for assistance will be offered in reverse order of termination. The last family terminated will be offered the first opportunity to apply.
- b) Families whose vouchers were rescinded due to insufficient funding before entering into a HAP contract. The opportunity to apply for assistance will be offered in reverse order of termination. The last family terminated will be offered the first opportunity to apply.

- c) Families on the waiting list: After completion of 1 and 2 above, the PHA will resume admission from the waiting list according to admission policies in defined in the Administrative Plan.

Offers to families who have been terminated due to insufficient funding for re-application are contingent on the family notifying the PHA of changes in contact information and the PHA being able to contact the families to re-apply. The PHA will follow the policies and procedures for new admissions related to applicant notification procedures and family response.

Any family who was terminated due to insufficient funding and is re-admitted to the Section 8 program will be considered a new admission.

- 8. An initial PHA may not terminate a portability voucher under a billing arrangement with a receiving PHA for insufficient funding since the initial PHA is not a party to the HAP contract.

F. Deceased Tenants

The PHA shall generate a Deceased Tenants Report from the EIV system at least once per month prior to disbursing the upcoming monthly housing assistance payment (HAP) to owners.

The PHA shall review the report, follow up with the listed families immediately, and take necessary corrective actions.

1. Administrative Actions

The PHA will notify the owner in writing of the deceased head of household.

2. Corrective Measures

- a) The PHA must terminate assistance immediately for deceased single member households. The owner is entitled to receive the full HAP amount for the month in which the death occurred.
- b) The owner is **not** entitled to HAP for any month following the month in which the death occurred,
- c) In a household where the remaining household member is a live-in aide, the PHA must discontinue HAP to the owner no later than the first of the following month after the month in which the death occurred.
- d) The PHA may not designate the live-in aide as the new head of household.
- e) Minors and family break-up are addressed in Chapter 17 of the Administrative Plan

3. Household Member Incorrectly Identified as Deceased

- a) The PHA will immediately notify the tenant in writing and advise the individual to contact SSA so that SSA may correct the records.
- b) The PHA will note the tenant file that the individual was reported as deceased but that the PHA confirmed the tenant is still alive.

CHAPTER 14. Utility Allowances

The Utility Allowance Schedule is used to determine how much credit the assisted family will be given for estimated utility cost.

A. Qualification

If the family pays for some or all utilities, the PHA will provide the family with a utility allowance. The allowances are based on actual rates and average consumption.

The utility allowance is given as a reduction in the resident's portion of rent to be paid to the owner/landlord. The Total Tenant Payment is reduced by the utility rate since the last revision.

Utility Allowances are not provided for families who live in all utilities paid units.

B. Utility Allowance Review and Revision

1. The PHA must review the Utility Allowance annually.
2. The PHA must revise the allowance for a utility category if there has been a ten percent (10%) or more change in the utility rate since the last revision.
3. The PHA will maintain supporting documentation to substantiate the review and revision of utility allowances.

C. Administration

1. Approved utility allowance schedule(s) are provided to families at the briefing sessions when the family receives initial or continued assistance.
2. The utility allowance for a family shall be the lesser of:
 - a) The size of the unit actually leased by the family; or
 - b) The family unit size as determined under the PHA subsidy standards.
3. In cases where the unit size leased exceeds the family unit size as determined under the PHA subsidy standards as a result of a reasonable accommodation, the PHA must use the appropriate utility allowance for the size of the unit actually leased by the family.
4. Allowances will be established for families who supply the range and refrigerator.
5. Utility reimbursement checks will be paid directly to the tenant.

CHAPTER 15. Portability

The term “portability” refers to the process of leasing a dwelling unit with tenant-based housing voucher assistance outside of the jurisdiction of the PHA that initially issues the family its voucher. The PHA that initially issues the family its voucher is termed “initial PHA”. The PHA which the family wishes to relocate is termed the “receiving PHA”. The jurisdiction of the PHA is Georgetown County, South Carolina.

It is understood that the PHA may act as both the initial PHA and receiving PHA, whereas the PHA may move families out of the PHA’s jurisdiction and family may wish to move into the PHA’s jurisdiction.

The provisions of portability do not apply to the project-based program.

A. General Information

An applicant from the PHA’s HCV waiting list or a PHA HCV participant family has the right to receive tenant-based housing assistance to lease a unit outside the jurisdiction of the initial PHA, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based housing program.

1. The head of household, spouse, or co-head who were residents of the initial PHA’s jurisdiction at the time of HCV tenant-based housing assistance application may elect to exercise their portability option to move (port out) to another PHA’s jurisdiction when first leasing.
2. HCV tenant-based housing assistance applicants, who resided in area outside of the initial PHA’s jurisdiction at the time of application, must utilize their assistance within the initial PHA’s jurisdiction for at least twelve (12) months before being able to port out to another PHA’s jurisdiction.
3. A family participating in the HCV FSS program ***must lease an assisted unit***, for a minimum period of twelve (12) months after the effective date of the contract of participation, in the jurisdiction of the PHA that selected the family for the FSS program. However, the **PHA may approve a family’s request** to move outside the initial PHA jurisdiction under portability during this period.

B. Family Information About Portability

Although the PHA is not required to provide an oral briefing when a family wishes to exercise their portability option, the PHA is required to provide information about portability to all families who wish to move within the initial PHA’s jurisdiction or who are eligible to lease a unit outside the initial PHA’s jurisdiction.

The PHA must provide:

1. How portability works and how portability may affect the family’s eligibility through:
 - a) Receiving PHA screening criteria,
 - b) Changes in subsidy standards,
 - c) Changes in payment standards, and

- d) Other elements of the portability process that may affect the family's assistance.
- 2. The benefits of living in areas with low concentrations of low income families
- 3. Provide information on areas of opportunity or neighborhoods which would benefit the family.
- 4. The PHA must provide a list of landlords or other resources known to the PHA that may assist the family in locating a unit. The PHA must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.
- 5. Materials (brochures) on how to select a unit and any additional information on selecting a unit, including any HUD provided information on selecting a unit.

C. Initial PHA Responsibilities

The family must notify the initial PHA of its desire to relocate outside of the initial PHA's jurisdiction. The PHA now becomes the initial PHA.

As the initial PHA, the PHA will:

- 1. Determine if the family is eligible to move.
- 2. Give the family the option to select the receiving PHA when there is more than one PHA in the jurisdiction where the family wishes to move. If the family prefers not to select the receiving PHA, the PHA will select the receiving PHA on behalf of the family.
- 3. Prior to approving the family's request to move, contact the receiving PHA by email or another confirmed delivery method to determine if the port out voucher will be absorbed or billed by the receiving PHA.
- 4. Contact the receiving PHA on behalf of the family and obtain the following:
 - a) Receiving PHA portability contact name, address, phone number, and email address,
 - b) Receiving PHA income limits,
 - c) Receiving PHA subsidy standards,
 - d) Receiving PHA payment standards, and
 - e) Receiving PHA procedures related to portability briefings/interviews/appointments for voucher issuance.
- 5. Determine if an applicant family is income eligible based on the income limits of the receiving PHA. The PHA does not reexamine the eligibility for a participant family.
- 6. Issue the family the voucher to move.
 - a) Promptly notify (by telephone, fax, or email) the receiving PHA to expect the portable family.

7. Provide the family with how to contact and request assistance from the receiving PHA.
8. Send (email, fax, or mail) a completed HUD-52665 (Family Portability Information) Part I to the receiving PHA with the following information:
 - a) For participants: The most recent HUD-50058 (Family Report).
 - b) For applicants: The family information and income information in a format similar to the HUD-50058,
 - c) Copies of supporting income verification including EIV data, if available,
 - d) Copy of the voucher issued by the initial PHA, and
 - e) Date by which the initial billing must be provided by the receiving PHA if the receiving PHA is billing the initial PHA. The date must be no later than 60 days following the expiration of the voucher issued by the initial PHA.

If the family is absorbed into the receiving PHA's program, the initial PHA will close out the family's file and make the family's voucher available for another eligible family from the initial PHA.

D. Receiving PHA Responsibilities

When a family moves to the jurisdiction of this PHA with a voucher issued by an initial PHA outside this jurisdiction, this PHA now becomes the receiving PHA.

As the receiving PHA, the PHA will:

1. Not refuse to assist an incoming portable family or direct the family to another neighboring PHA for assistance.
2. Promptly advise the initial PHA in writing, by email or other confirmed delivery method, whether the PHA will bill the initial PHA for the housing assistance on behalf of the family or absorb the family into the PHA's program.
 - a) If the receiving PHA makes the commitment to absorb the family, the receiving PHA cannot reverse its decision at a later date without the consent of the initial PHA.
3. Within two (2) weeks after receipt of HUD-52665, receipt of the supporting documentation from the initial PHA, contact from the family, and compliance by the family with the receiving PHA's procedures, schedule a briefing/interview with the family.
4. Screen the family using the receiving PHA's established admission criteria. The receiving PHA cannot delay issuing the family a voucher or delay approval of a unit during the screening process. The receiving PHA may take subsequent action based on the screening results.
5. Issue a voucher to the family to search for a unit in the receiving PHA's jurisdiction.
 - a) Determine the family unit size for the family based on the subsidy standards of the receiving PHA.

- b) The term of the voucher issued by the receiving PHA will not expire before 30 calendar days from the expiration date of the voucher issued by the initial PHA.
 - c) If the voucher issued by the initial PHA expires before the family arrives at the receiving PHA, the receiving PHA will contact the initial PHA to determine if the initial PHA will extend the voucher.
- 6. Promptly notify the initial PHA by completing the HUD-52665, Part II A and B, if the family has leased and eligible unit or if the family failed to submit a request for tenancy approval for an eligible unit prior to the expiration of the voucher term.
 - 7. If the receiving PHA is billing the initial PHA, see H, Summary of Portability Deadlines.
 - 8. If the receiving PHA is absorbing the family into the receiving PHA program, complete the HUD-52665, Part II A and B, and promptly send to the initial PHA.

E. Extension and Suspension of the Portability Voucher

Portability Voucher Extensions:

- 1. Once the receiving PHA issues a voucher to the family, the receiving PHA's policies on extension of the voucher term apply.
 - a) The receiving PHA may extend voucher beyond the additional 30 days based on the receiving PHA's policies.
- 2. The receiving PHA must notify the initial PHA of any extension granted to the term of the voucher.

Mandatory Voucher Suspensions:

- 1. The receiving PHA will suspend the term on the family's voucher when the family submits a request for tenancy approval.
- 2. The voucher suspension will end when the receiving PHA notifies the family in writing whether the request for tenancy approval was approved or denied.

F. Denying Family Request to Move/Portability

- 1. The PHA may only deny a family's request to move/port out for the following:
 - a) If the PHA does not have sufficient funding for continued assistance (see G below).
 - b) The family's action or failure to act as described in 24 CFR 982.552 or 982.553.
 - c) The head of household or spouse were non-resident applicants, or was a non-resident applicant that has not been assisted in the initial PHA jurisdiction for twelve (12) months since being admitted to the program.
 - d) The PHA has established policies on the timing and limiting the frequency of moves.

- e) If the family owes the PHA, or any PHA, money.
 - f) If the family's assistance is pending termination.
 - g) The family has moved out of its assisted unit in violation of the lease. Except for families who are protected under VAWA.
 - h) If the applicant family's annual gross income exceeds the receiving PHA's income limit for the family size.
2. The PHA will notify the family in writing if the PHA is denying the family's request to move or request for portability.

G. Denying Portability Due to Insufficient Funding

1. A PHA may only deny a request to move to a higher cost unit within the PHA's jurisdiction or to higher cost area in accordance with 24 CFR 982.354(e) if the PHA would be unable to avoid terminations of Housing Choice Voucher assistance for current participants during the calendar year in order to remain within its budgetary allocation (including any available HAP reserves) for housing assistance payments.
2. The PHA must provide written notification to the local HUD Office within 10 business days of the date on which the PHA made the determination to deny a portability move based on insufficient funding.
3. The written notification to the local HUD office will include the following documentation:
 - a) A financial analysis that demonstrates insufficient funds are projected to meet the current calendar year projection of expenses. The projection must not include vouchers that have been issued but are not yet under contract.
 - b) A statement certifying the PHA has ceased issuing vouchers and will not admit families from their waiting list while the limitation on moves to a higher cost unit is in place.
 - c) A copy of the PHA's policy stating how the PHA will address families who have been denied moves.
4. The PHA **may not** deny a request to move due to insufficient funding:
 - a) Because the family wishes to move to a higher cost unit within the PHA's jurisdiction or to a higher cost area.
 - 1) For moves within the initial PHA's jurisdiction, a "higher cost unit" is defined as a unit in which the PHA would have to pay a higher subsidy amount due to an increase in the gross rent for the new unit.
 - 2) For portability moves, a "higher cost area" is defined as an area where a higher subsidy amount will be paid for a family because of higher Payment Standard amounts or "more generous" subsidy standards adopted by the receiving PHA.
 - b) Including portability moves, if the subsidy for the new unit is equal to or less than the current subsidy being paid for the family or if the area the family has selected is a lower cost area.

- 1) A “lower cost area” is defined as an area where the subsidy amount is equal to or lesser than the current subsidy paid because of lower Payment Standards or less generous subsidy standards adopted by the receiving PHA.
- c) Because the PHA has issued vouchers to families from the waiting list but not yet leased. Voucher that have been issued to families on the waiting list cannot be considered an expense until such time HAP contracts are executed and the PHA is legally obligated to make HAP payments.
5. If the PHA denies a family’s request to move under portability due to insufficient funding, the family will be notified by first class mail. The notice will also include the following policy statements:
 - a) The PHA will not admit families from the waiting list while the denial of moves due to insufficient funding is in place.
 - b) At the time funding becomes available, families who have been denied portability will be notified by first class mail that they may now exercise the option to port out. These families will be notified on a first come, first served basis starting with the family that was first denied portability.
 - c) The request to move will remain open for consideration until the family either notifies the PHA in writing of their request to rescind the request, termination of Section 8 assistance occurs or the family either accepts or rejects the PHA’s offer of the opportunity to port out.
6. The PHA **may not** deny a family’s request to move to a higher cost unit or a higher cost area because the PHA wishes to admit additional families from the PHA’s waiting list into its voucher program, regardless of whether the PHA has unit months available (UMA) to do so.
7. If the PHA approves a family’s request to move within in the PHA’s jurisdiction or approves a portability move, then experiences a funding shortfall, the PHA may retract the voucher only if the family is allowed to remain in their current unit. If the family is not allowed to remain in their current unit, the PHA must not retract the voucher.
8. If the receiving PHA will bill the initial PHA for the portability voucher and the cost of the HAP will increase due to the move, the initial PHA may deny the move if it does not have sufficient funding for continued assistance.
9. If the PHA is the initial PHA, the PHA **may not** terminate a portability voucher under a billing arrangement with the receiving PHA for insufficient funding since the initial PHA is not a party to the HAP contract.

H. Summary of the Portability Deadlines:

1. Submission of Initial Billing Amount (Part II of the Form HUD- 52665) – Receiving PHA must complete and mail the initial billing notice (1) no later than 10 working days following the date the HAP contract was executed and (2) in time that it will be received no later than 60 days following the expiration date of the family’s voucher issued by the initial PHA.

- a) If billing is not received from the receiving PHA by the billing deadline, as the initial PHA, the PHA will contact the receiving PHA to:
 - 1) Determine the status of the family.
 - 2) Inform the receiving PHA that the initial PHA will not accept any subsequent bill on behalf of the family.
2. Payment of First Billing Amount – Initial PHA makes payment within 30 days of receipt of Part II of the Form HUD 52665 indicating billing amount.
3. Payment of Subsequent Billing Amounts – The initial PHA is responsible for ensuring that subsequent billing amounts are received no later than the fifth working day of each month for which the monthly billing amount is due.
4. Notification of Change in Billing Amount or Other Action – The receiving PHA notifies the initial PHA of any change in the billing amount as soon as possible (preferably before the effective date to avoid retroactive adjustments) but in no circumstance, any later than 10 working days following the effective date of the change.

I. Controls and Accountability

1. Portability admissions are counted against the initial PHA's income targeting requirement (75% of extremely low-income admissions) - unless the receiving PHA absorbs the family (24 CFR 982.201).
2. At any time, either the initial PHA or receiving PHA may make a determination to deny or terminate the family's assistance in accordance with 24 CFR 982.552 and 982.553.

CHAPTER 16. Moves with Continued Tenant-Based Assistance

A. Eligibility to Move

A participating family is eligible to move if any of the following occur:

1. The assisted lease for the old unit has terminated. This includes a termination because:
 - a) The PHA has terminated the HAP contract for the owner's/landlord's breach; or
 - b) The lease has terminated by mutual agreement of the owner/landlord and the resident; or
 - c) The lease expired and either the owner/landlord or resident decided not to renew.
2. The owner/landlord has given the resident a notice to vacate, or has commenced an action to evict the resident, or has obtained a court judgment or other process allowing the owner/landlord to evict the resident.
3. The resident has given proper notice of lease termination after the first year.

B. When a Family Can and Cannot Move

1. A participant family may move one time with continued assistance under the program, either inside the jurisdiction or under the portability procedures during any one-year period. (See 24 CFR Sec. 982.353 and Sec 982.314)
2. The family may not move during the initial term of the lease. (See 24 CFR Sec. 982.314)
3. The PHA may deny a request to move for the following reasons:
 - a) The participant intentionally causes the unit to fail housing quality standards;
 - b) The participant owes the PHA a balance due; and
 - c) The participant has violated a family obligation.
4. Failure to provide at least thirty (30) days' notice may result in termination of assistance.
5. Agreement to Remain in Occupancy
 - a) If the family does not locate a new dwelling they may be required to submit an "Agreement to Remain in Occupancy".
 - b) The assisted tenancy may be extended for any period of time mutually agreed upon by the owner/landlord and resident.
 - c) Absence of the Agreement to Remain in Occupancy, and HAP payments and the HAP contract may terminate at the end of the thirty (30)-day Notice to Move issued by the tenant.
6. A family may receive a voucher from a PHA and move to another jurisdiction under the tenant-based assistance program if the family has complied with all other obligations of the Section 8 program and has moved out of the assisted dwelling unit in order to protect the health and safety of an individual who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.

C. Notice of Family Move

1. The owner/landlord is permitted to require the family to give a termination notice of any lease-specified minimum length. (See 24 CFR Sec. 982.309)
2. If the family terminates the lease with proper notice to the owner/landlord, the family must give the PHA a copy of the notice at the same time.
3. If the family wants to move to a new unit that is located outside the initial PHA jurisdiction, the notice to the PHA must specify the area where the family wants to move.

CHAPTER 17. Family Break-Up

A. PHA Discretion

1. The PHA has discretion to determine which members of an assisted family continue to receive assistance in the program if the family breaks up.
2. The decision to determine who continues to receive the assistance will be made by the Executive Director or designee.

B. Criteria for the PHA Decision

The factors to be considered in making this decision may include (but are not limited to):

1. Whether the assistance should remain with family members remaining in the original assisted unit;
2. Recommendations of Social Services professionals;
3. The interest of minor children or of ill, elderly, or disabled family members;
4. Whether family members are forced to leave the unit as a result of actual or threatened physical violence against family members by a spouse or other member of the household.

C. Court Orders

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the PHA is bound by the court's determination of which family members continue to receive assistance in the program.

D. Domestic Violence

If the family break-up results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, the PHA must ensure that the victim retains assistance.

E. Remaining Member of Tenant Family

1. The Section 8 office may assist an individual left in an assisted housing unit who may or may not otherwise qualify for assistance under their own circumstances.
2. A single adult (whether elderly or non-elderly, disabled or non-disabled, children in residence/household or no children present) may become the head of household.
3. A live-in aide will not be considered a remaining member of the resident family by definition.
4. A minor child(ren) will not be allowed to retain status of remaining family member(s) unless:
 - a) The court has awarded emancipated minor status to the minor; or
 - b) An income eligible court appointed or legal guardian moves into the unit with the minor child(ren).

5. If both parents must leave the household and the Department of Social Services and/or the Juvenile Court has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the Section 8 office will treat that adult as a visitor for sixty (60) days.
 - a) After that period, the Section 8 office will determine whether court awarded custody or legal guardianship has been granted to the caretaker.
 - b) If so, the assistance will be transferred to the caretaker.

CHAPTER 18. Absence from Unit

A. Time Limits

1. The family may be absent from the unit for brief periods.
2. The family may not be absent from the unit for a period of more than thirty (30) consecutive calendar days without written consent from the PHA.
3. The Executive Director or designee may approve an absence of up to 180 consecutive calendar days for extraordinary reasons, such as military leave.
4. Absence means that no member of the family is residing in the unit.
5. The owner/landlord must reimburse the PHA for any housing assistance payments for the period after termination.

B. Verifications

1. The family must supply any information or certification requested to verify that the family is residing in the unit.
2. The family must promptly notify the PHA of absence from the unit, including any information requested on the purpose of family absences.
3. The PHA may utilize appropriate techniques to verify family occupancy or absence, including letters to the family at the unit, phone calls, visits or questions to the landlord or neighbors.

CHAPTER 19. Admission of Live-In Aide or Foster Children

A. Live-In Aide

1. The PHA will permit the live-in aide to reside with a disabled family as long as the live-in aide meets the criteria for the definition of Live-In Aide (see the Definitions section of this Plan).
2. In the case where a live-in aide is arrested at or near the premises of the Section 8 participant for drug-related or violent criminal activity, the PHA shall advise the Section 8 participant that the live-in aide cannot be housed with the participant.
3. The PHA will not be required to wait until conviction of the live-in aide, but will use the criteria of preponderance of the evidence.
4. None of the above-mentioned procedures precludes the Section 8 owner/landlord from taking action to initiate termination for good cause.
5. A live-in aide is defined as:
 - a) A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:
 - b) Is determined by the PHA to be essential to the care and well-being of the person or persons;
 - c) Is not obligated for support of the person or persons; and
 - d) Would not be living in the unit except to provide necessary supportive services.
6. A live-in aide is a household member, not a family member.
7. A live-in aide is entitled to a separate bedroom.

B. Foster Children and Foster Adults

1. A foster child is a child without parental support and protection, placed with a person or family to be cared for, usually by local welfare services or by court order
2. Foster adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone.
3. Foster children/adults will be allowed as additions to the household if their addition will not result in an HQS violation.
4. Documentation from the Department of Public Health and Social Services agency responsible for placement must be provided prior to the placement of the child(ren), except in cases of emergency.

CHAPTER 20. Program Integrity

A. Investigation of Suspected Abuse or Fraud

The PHA will initiate an investigation of a participating family in the event of one or more of the following circumstances:

1. Referrals, Complaints, or Tips.

The PHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone, or in person, which allege that a family is in non-compliance with, or otherwise, violating the lease or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the participant's file. Anonymous complaints will be investigated if the information received contains specific allegations that can be independently verified. If the anonymous complaint is not specific, the information will be retained in files, but will not be used to initiate investigations.

2. Internal File Review.

A follow-up will be made if PHA staff discovers (as a function of a certification or reexamination, an interim reexamination, or a quality control review), information or facts that conflict with previous file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

3. Verification or Documentation.

A follow-up will be made if the PHA receives EIV/UIV verification, independent verification or documentation that conflicts with representations in the family's file (such as public record information, or credit bureau report, or reports from other agencies).

B. Steps to Detect Program Abuse and Fraud

1. Quality Control File Reviews.

On a random basis an appropriate number of participant files will be reviewed for accuracy and completeness. Such reviews will be completed by a knowledgeable staff member who was not directly involved in the processing of that applicant/participant file. Such reviews shall include, but are not limited to:

- a) Assurance that verification of all income and deductions is present;
- b) Changes in reported Social Security Numbers or dates of birth are noted;
- c) File documents are authentic;
- d) Ratio between reported income and expenditures is accurately computed; or
- e) Review of signatures are consistent with previously signed file documents.

2. Staff Observation

The PHA staff (to include inspection personnel) will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized persons residing in the household and indications of unreported income. The observations will be documented in the family's file.

3. Credit Bureau

Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

- a) If at the time of the final eligibility determination the information provided by the applicant conflicts with information obtained through outside sources or third-party verifications.
- b) When an allegation is received by the PHA wherein unreported income sources are disclosed.
- c) When participant's expenditures exceed his/her reported income, and no plausible explanation is given.

C. Responding to Allegations of Possible Abuse and Fraud

The PHA will review allegations that contain one or more independently verifiable facts.

1. An internal file review will be conducted to determine:
 - a) If the subject of the allegation is a Section 8 participant and, if so, to determine if the information reported has been previously disclosed by the family.
 - b) It will then be determined if the PHA is the most appropriate authority to do a follow-up (more so than police or social service). Any file documentation of past behavior, as well as corroborating complaints, will be evaluated.
2. If at the conclusion of the preliminary file review, there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the staff will initiate an investigation to determine if the allegation is true or false.

D. Investigating Allegations of Possible Abuse and Fraud

If the PHA determines that an allegation or referral warrants follow-up, the staff person who is responsible for the file will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include the items listed below. In all cases, the PHA will secure the written authorization from the resident for the release of information.

1. Credit Bureau Inquiries (CBI).

In cases involving previously unreported income sources, a CBI may be made to determine if there is financial activity that conflicts with the reported income of the family.

2. Verification of Credit.

In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

3. Employers and Ex-Employers.

Employers or ex-employers may be contacted to verify wages that may have been previously undisclosed or misreported.

4. Neighbors/Witnesses.

Neighbors and/or other witnesses may be interviewed if it is believed that they have direct or indirect knowledge of facts pertaining to the PHA's review.

5. Other Agencies.

Investigators, caseworkers, or representatives of other benefit agencies may be contacted.

6. Public Records.

If relevant, the PHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, and divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records, and postal records.

7. Interviews with Head of Household or Other Family Members.

The PHA will discuss the allegation (or details thereof) with the head of household or family member by scheduling an appointment at the PHA office.

A high standard of courtesy and professionalism will be maintained by the PHA staff person who conducts such interviews. Under no circumstances will inflammatory language, accusations, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews.

E. Maintaining Evidence and Statements Obtained by the PHA

Documents and other evidence obtained by the PHA during the course of an investigation will be kept in the participant's file, or in a separate "work file."

F. Evaluation of Findings

If it is determined that a program violation has occurred, the PHA will review the facts to determine:

1. The type of violation (procedural, non-compliance, fraud);
2. Whether the violation was intentional or unintentional;
3. What amount of money (if any) is owed by the participant; and
4. If the family is eligible for continued participation.

G. Resolving Confirmed Violations

Once a program violation has been documented, the PHA will propose the most appropriate remedy based upon the type and severity of the violation.

1. Procedural Non-Compliance

This category applies when the participant "fails to" observe a procedure or requirement of the PHA, but does not misrepresent a material fact, and there are no retroactive payments owed by the family.

a) Examples of Non-Compliance Violations are:

- (1) Failure to appear at a pre-scheduled appointment;
- (2) Failure to return verification in the time period specified by the PHA.

b) Warning Notice to the Family

In such cases, a notice will be sent to the family which contains the following:

- (1) A description of the non-compliance and the procedure, policy or obligation which was violated;
- (2) The date by which the violation must be corrected, or the procedure complied with;
- (3) The action which will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA;
- (4) The consequences of repeated (similar) violations.

2. Procedural Non-Compliance - Retroactive Payments

When the family owes money to the PHA for failure to report changes in income or assets, the PHA will issue a Notification of Overpayment. This notice will contain the following:

- a) A description of the violation and the date(s);
- b) Any amounts owed to the PHA;
- c) A ten (10) business days response period; and
- d) The right to disagree and to request an informal hearing with instructions for the request of such hearing.
 - (1) Participant Fails to Comply with PHA's Notice: If the participant fails to comply with PHA's notice, and a material provision of the lease has been violated, the PHA will initiate termination of tenancy.
 - (2) Participant Complies with PHA's Notice: When a participant complies with the PHA's notice, the staff person responsible will meet with him/ her to discuss and explain the program provision that was violated. The staff person will complete a participant counseling report, give one copy to the family and retain a copy in the participant's file.

H. Misrepresentations

When a participant falsifies, misstates, omits, or otherwise, misrepresents a material fact which results (or would have resulted) in an underpayment of participant's share, the PHA will evaluate whether or not the participant had knowledge that his/her actions were wrong, and the participant willfully violated the lease or the law.

1. Knowledge That the Action or Inaction Was Wrong

This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certifications, briefing certificate, Personal Declaration, and Things You Should Know are adequate to establish knowledge of wrong-doing.

2. The Participant Willfully Violated the Law

Any of the following circumstances will be considered adequate to demonstrate willful intent:

- a) An admission by the participant of the misrepresentation;

- b) The act was done repeatedly;
- c) If a false name or Social Security Number was used;
- d) If there were admissions to others of the illegal action or omission;
- e) The participant omitted material facts which were known to him/her (e.g., employment of self or other household members);
- f) The participant falsified, forged or altered documents; and
- g) The participant uttered and certified to statements at a rent (re)determination, which were later independently verified to be false.

I. The Participant Conference for Serious Violations and Misrepresentations

When the PHA has established that material misrepresentation(s) has occurred, a Participant Conference will be scheduled with the family representative and the PHA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by the PHA.

1. The purpose of such conference is to review the information and evidence obtained by the PHA with the participant, and to provide the participant an opportunity to explain any documented findings which conflict with representations in the participant's file. Any documents or mitigating circumstances presented by the participant will be taken into consideration by the PHA. The participant will be given five (5) business days to furnish any mitigating evidence.
2. A secondary purpose of the Participant Conference is to assist the PHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed actions, the PHA will consider:
 - a) The duration of the violation and number of false statements;
 - b) The participant's ability to understand the rules;
 - c) The participant's willingness to cooperate and to accept responsibility for his/her actions regarding the amount of money involved;
 - d) The participant's past history; and
 - e) Whether or not criminal intent has been established.

J. Disposition of Cases Involving Misrepresentation

In all cases of misrepresentation involving efforts to recover monies owed, the PHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

1. Criminal Prosecution

If the PHA has established criminal intent, and the case meets the criteria for prosecution, the PHA will refer the case to the local State or District Attorney, notify HUD's Regional inspector General for Investigations (RIGI), and terminate rental assistance.

2. Administrative Remedies

The PHA will terminate assistance and demand payment of restitution in-full.

3. PHA Legal Action

If an amount of \$5,000 or more dollars is owed to the PHA due to participant fraud, the PHA will seek restitution through legal judicial channels.

4. Continue Assistance

Contingent upon full lump sum restitution or minimal term repayment plan and warning that repeat of the offense will result in immediate termination of assistance.

K. Notifying Participant of Proposed Action

1. The PHA will notify the resident, by pre-paid first class mail, of the proposed action no later than three (3) business days after the Participant Conference.
2. All notices will advise the family of their right to an informal hearing.

CHAPTER 21. Informal Hearings and Reviews

A. Definitions

1. Informal Review

A review of the PHA's decision on an applicant's application for participation in the Section 8 Housing Choice Voucher Program in accordance with the procedures outlined below.

2. Informal Hearing

A hearing regarding a decision affecting a participating family in the Section 8 Housing Choice Voucher Program in accordance with the procedures outlined below.

3. Informal Review Officer

A person designated to informally review a decision concerning an application for participation and give his/her decision.

4. Informal Hearing Officer

A person designated to conduct an informal hearing concerning a participant and gives his/her decision.

B. Procedures for Informal Reviews

1. The PHA shall give an applicant written notice of a decision denying assistance or a decision denying listing on the waiting list within ten (10) calendar days from the date of the decision.
2. The notice shall contain a brief statement of the reason(s) for the decision, that the applicant may submit a signed written request for an informal review of the decision if he/she disagrees with the decision, and that the request must be made within ten (10) calendar days from the date of the notice, and that the applicant should keep proof of making the request.
3. The PHA may or may not conduct an informal review if the applicant fails to submit his/her request within the time stipulated. If the request is not submitted timely, it shall mean that the applicant waived his/her right to request an informal review.
4. Reasonable accommodations shall be made for applicants who are disabled.
5. The PHA shall conduct an informal review, provided the applicant submits a proper request for an informal review within the time allowed.
6. Informal Review Officer
 - a) The PHA shall designate any person or persons as the review officer(s). The power to designate any person or persons as review officer or review officers shall rest with the PHA.
 - b) The person or persons designated as the review officers shall not be the person who made or approved the decision under review or a subordinate of such person.

7. The Informal Review

- a) The proceedings of the review shall be informal and confined to factors relating to program eligibility and a determination of whether the decision of denying assistance to the applicant is justified or not.
- b) The PHA shall notify the applicant of the date, time and place of conducting the informal review at least a week prior to the date of the review.
- c) The applicant shall have the right to present his objections either orally or in writing.
- d) A representative of the Section 8 department may be present.

8. Location of the Review

The review may be conducted:

- a) At the PHA office,
- b) At a location designated by the PHA, or
- c) At a variety of locations connected by electronic audio/visual media or telephone conference call.

9. The Decision

- a) The review officer or officers shall decide whether the decision denying assistance to the applicant was justified and according to the federal regulations and rules of the PHA. This final decision shall be given within 14 calendar days from the date of the review.
- b) The PHA shall promptly notify the applicant in writing of the final decision, and a brief statement of the reasons for the final decision.

10. Informal Reviews are not required for established policies and procedures and determinations such as:

- a) Discretionary administrative determinations;
- b) General policy issues or class grievances;
- c) A determination of the family unit size under the subsidy standards;
- d) Refusal to extend a voucher;
- e) Disapproval of a lease;
- f) Determination that a unit is not in compliance with HQS; and
- g) Determination that a unit is not in accordance with HQS due to family size or composition.

C. Procedures for the Informal Hearing

1. The PHA will provide participants with the opportunity for an Informal Hearing for decisions related to any of the following determinations:

- a) Termination of assistance;
- b) Determination of the family's annual or adjusted income and the calculation of the housing assistance payment;
- c) Family unit size determination under the subsidy standards;

- d) Determination to terminate assistance for any reason; and
 - e) Notice of Determination to pay an owner/landlord claim for damages, unpaid rent or vacancy loss.
2. Informal Hearings are not required for established policies and procedures such as:
- a) Discretionary administrative determinations;
 - b) General policy issues or class grievances;
 - c) Establishment of the schedule of utility allowances;
 - d) Determination not to approve an extension of a voucher term;
 - e) Determination not to approve a unit or lease;
 - f) Determination that an assisted unit is not in compliance with HQS (the PHA must provide a hearing for family breach of HQS because that is a family obligation determination);
 - g) Determination that the unit is not in accordance with HQS because of the family size; or
 - h) Determination to exercise or not exercise any right or remedy against the owner/landlord under a HAP contract.
3. Notice to Participant
- a) When decisions are made, the PHA shall give the participant prompt written notice of the decision made.
 - b) The written notice shall contain a brief statement of the reasons for the decision, and a statement that if the participant does not agree with the decision, she/he may request an informal hearing on the decision within ten (10) calendar days from receipt of the notice.
 - c) The PHA may or may not conduct an informal hearing if the participant does not request an informal hearing within the time fixed herein to do so. If the request is not submitted timely, it shall mean that the participant waived his/her right to request an informal hearing.
4. The Hearing Officer
- a) The PHA will designate any person or persons as hearing officer or hearing officers to conduct the informal hearing. The power to designate a hearing officer shall rest solely with the PHA.
 - b) The hearing officer can be any person other than a person who made or approved the decision under review, or a subordinate of such person.
5. Location of the Hearing
- The hearing may be conducted:
- a) At the PHA office,
 - b) At a location designated by the PHA, or
 - c) At a variety of locations connected by electronic audio/visual media or telephone conference call.

6. Rights of the Participant

- a) The participant can either appear in person at the hearing, or can be represented by a lawyer or other representative at his/her own expense.
- b) The participant shall have the right to present evidence, both oral and documentary, without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- c) The client shall have the right to arrange for an interpreter to attend the hearing, at the client's expense.

7. Rights of the PHA

- a) The PHA can be represented by a lawyer, or any other representative in the informal hearing.
- b) The PHA can introduce evidence, both oral and documentary, without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- c) The PHA shall have the right to question any witness examined in the informal hearing and to make final submissions.

8. The Informal Hearing

- a) The hearing officer will regulate the conduct of the hearing in accordance with hearing procedures commonly accepted and followed.
- b) If the participant who requested the informal hearing fails to appear at the hearing on the date set for the hearing without any request for an adjournment on strong grounds, the matter will be decided by the parties that are present, or dismissed immediately with no right for its restoration. The hearing officer may or may not allow an application for adjournment.
- c) The participant will begin his/her case by introducing documents it relies on and by taking oral testimony of witnesses in support of his/her contention.
- d) The PHA will then begin its defense by introducing documents it relies on and by taking oral statements from witnesses, if necessary, in justification of its decision.
- e) The participant and the PHA will then close their cases and make final submissions, if they choose to, prior to the decision.

9. The Decision

- a) The hearing officer will consider the evidence introduced by the parties and give such evidence due weight.
- b) Factual determinations relating to the individual circumstances of the participant shall be based on the evidence presented at the hearing.
- c) The hearing officer shall decide whether the decision denying assistance to the applicant was justified and according to the federal regulations and rules of the PHA. This final decision shall be given within 14 calendar days from the date of the hearing.
- d) The decision shall be in writing and based on the facts established, HUD regulations, PHA policy, and the applicable law.
- e) The decision shall clearly state the reason on which the decision is arrived.

- f) A copy of the decision shall be furnished promptly to the participant.

D. Hearing and Appeal Provisions for “Restrictions on Assistance to Non-Citizens

1. Assistance to the family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to the receipt of the decisions on the CIS appeal.
2. Assistance to a family may not be terminated or denied while the PHA hearing is pending, but assistance to an applicant may be delayed pending the PHA hearing.
3. CIS Determination
 - a) If a family member claims to be an eligible immigrant and the CIS SAVE system and manual search do not verify the claim, the PHA notifies the applicant or participant within ten (10) days of their right to appeal to the CIS within thirty (30) days or to request an informal hearing with the PHA either in lieu of or subsequent to the CIS appeal.
 - b) If the family appeals to the CIS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.
 - c) The request for a PHA hearing must be made within fourteen (14) days of receipt of the notice offering the hearing or, if an appeal was made to the CIS, within fourteen (14) days of receipt of that notice.
4. After receipt of a request for an informal review/hearing, the review/hearing is conducted as described in section D. of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family member(s) the PHA will:
 - a) Deny the applicant family;
 - b) Defer termination if the family is a participant and qualifies for deferral; and
 - c) Terminate the participant if the family does not qualify for deferral.
5. If there are eligible members in the family, the PHA will offer to prorate assistance or give the family the option to remove the ineligible member(s).
6. All other complaints related to eligible citizen/immigrant status:
 - a) If any family member fails to provide documentation of certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.
 - b) Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
 - c) Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.
 - d) Families denied or terminated for fraud in connection with the non-citizen rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

E. Mitigating Circumstances for Applicants/Participants with Disabilities

1. When applicants are denied placement on the waiting list, or the PHA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.
2. Examples of mitigating circumstances are:
 - a) A person with a cognitive disorder may not have understood the requirement to report increases in income;
 - b) A person may not understand the need to make regular repayments on a promissory note; and
 - c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

CHAPTER 22. Repayment Agreements

A. Establishing the Repayment Agreement

1. A Repayment Agreement is a document entered into between the PHA and a person (i.e., public housing tenant or Section 8 participant) who owes a debt to the PHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.
2. Repayment Agreements with families may be established if the family owes the PHA retroactive rent due to any of the following:
 - a) Applicant family owes the PHA monies from previously tenancy or assistance,
 - b) Unreported income,
 - c) Under-reported income,
 - d) Unreported change in deductions or allowances, or
 - e) Other unreported changes.
3. Repayment Agreement with Current Participant Families
 - a) The participant shall be required to pay retroactive rent resulting from the tenant being charged less rent than required by HUD's rent formula due to, among other things, tenant's underreporting or failure to report income and/or other changes.
 - b) The PHA shall determine the retroactive rent amount as far back as the PHA is able to document the family's unreported or underreported income, unreported changes, or other misrepresented income or family circumstances.
 - c) Upon determination of the retroactive rent amount, the family shall be required to pay the amount in full or enter into a Repayment Agreement. If the tenant refuses to pay the amount in full, enter into a Repayment Agreement, or fails to make payments on the executed Repayment Agreement, the PHA shall terminate the family's tenancy.
 - d) The Repayment Agreement shall clearly state the amount of the total retroactive rent, any lump sum payment agreed upon, and the monthly amount payable by the participant to the PHA in addition to the family's regular monthly rent payment to the landlord.
 - e) The repayment time period in which the retroactive rent balance is to be paid to the PHA shall be based on the determined monthly repayment amount and the original retroactive balance. The PHA shall have full discretion in establishing the number of months in the repayment agreement for the family to pay the debt.
 - f) The Repayment Agreement may be renegotiated when there is a change in the family's income (up or down) or a change in family circumstances if the family is current and in good standing.
4. Repayment Agreement with Previous Tenant or Program Participant

In some instances, families who were previously on a federally assisted housing program moved owing the PHA or some other PHA a debt. If such a family applies for housing and during the applications process it is found that the applicant was a previous tenant who left owing a debt, the PHA will require the applicant to provide documentation from

the PHA that the debt has been satisfactorily paid in full prior to admittance.

B. Enforcing Repayment Agreements

1. The Section 8 office will set up monthly payments on the Repayment Agreements.
2. If the participant is two (2) or more months behind, the participant's assistance may be terminated.
3. If the participant enters into a Repayment Agreement after the execution of the HAP Contract and does not pay, the Section 8 office will require the family to bring their Repayment Agreement current prior to issuance of a voucher to move to another unit.

C. Ineligibility for Repayment Agreements

1. If the Section 8 office determines that the family committed willful and intentional fraud, the Section 8 office will require the family to repay the entire amount in-full or have the family's assistance terminated.
2. The PHA will not enter into a Repayment Agreement with a family that currently has an active Repayment Agreement in effect.

D. Owner/Landlord Fraud and Program Abuse

1. Over-payment of HAP to owner/landlord may be a result of the:
 - a) Failure of owner/landlord to notify PHA unit was vacated by participating tenant family,
 - b) Failure of owner/landlord to notify PHA of deceased tenant,
 - c) Non-compliance of owner/landlord's unit with Housing Quality Standards, or
 - d) Failure of owner/landlord to notify PHA of change in owner supplied utilities.
2. The Owner shall be required to reimburse the PHA for any over-paid HAP amounts in one of the following manner:
 - a) Full restitution by owner/landlord, or
 - b) PHA may reclaim by means of adjustment to future HAP payments owed to the owner/landlord until debt is cleared.

When the Section 8 office determines that the owner/landlord has retained Housing Assistance Payments the owner/landlord was not entitled to, the Section 8 office may reclaim the Housing Assistance Payment amount from future Housing Assistance Payments owed the owner/landlord.

If the future Housing Assistance Payments owed to the PHA are insufficient to recover the amount to be reclaimed, the additional amount(s) may be referred to collection.

CHAPTER 23. Administrative Fee Reserve Expenditures Statement

Pursuant to 24 CFR 982.155(a) the PHA maintains an administrative fee reserve (also known as Unrestricted Net Assets (UNA) for the Section 8 program. The PHA credits to the administrative fee reserve the total of:

The amount by which program administrative fees paid by HUD for a fiscal year exceed PHA's program expenses for the fiscal year, plus Interest earned on the administrative fee reserve.

A. Required Use for Program Administration

The Administrative Fee Reserve must first be used to pay Section 8 administrative costs that exceed earned administrative fees for a fiscal year.

Projected administrative fees and the Administrative Fee Reserve must cover all projected costs of program administration through the remaining ACC terms.

Administrative fees may never be loaned to another program in order to cover "ineligible" expenses, even if the PHA intends to reimburse the HCV program at a later date.

The PHA may use subsequent administrative fees to reimburse a source of "non-federal, non-restricted" funding if used as a temporary bridge to cover HCV program administrative expenses in the event the PHA lacks administrative fee reserves and needs to temporarily supplement the administrative fee provided by HUD in order to cover "eligible" HCV program administrative expenses.

Administrative fees funded from the FFY 2004 Appropriations Act and subsequent appropriations require that administrative fee reserves provided from these appropriations shall only be used for activities related to the Housing Choice Voucher Program, including related development activities.

GLOSSARY

Acronyms Used in Subsidized Housing

ACC – Annual Contributions Contract

BR – Bedroom

CDBG – Community Development Block Grant

CFR – Code of Federal Regulations.

CPI – Consumer Price Index.

CR – Contract Rent

EBL – Elevated Blood-Lead Level

EID – Earned Income Disallowance

EIV – Enterprise Income Verification System

FDIC – Federal Deposit Insurance Corporation

FHA – Federal Housing Administration

FICA – Federal Insurance Contributions Act - Social Security taxes

FMHA – Department of Rural Development (formerly: Farmers Home Administration)

FMR – Fair Market Rent

FSS – Family Self-Sufficiency

FY – Fiscal Year

FYE – Fiscal Year End

GAO – Government Accounting Office

GFC – Gross Family Contribution (replaced by the term Total Tenant Payment)

GR – Gross Rent

HA – Housing Agency

HAP – Housing Assistance Payment

PHAP – Plan Housing Assistance Plan

HCDA – Housing and Community Development Act

HCVP – Housing Choice Voucher Program

HQS – Housing Quality Standards

HUD – The Department of Housing And Urban Development

HURRA – Housing and Urban/Rural Recovery Act of 1983

HV – Housing Voucher

IG – HUD Office of the Inspector General

IGR – Independent Group Residence

IPA – Independent Public Accountant

IRA – Individual Retirement Accountant

MSA – Metropolitan Statistical Area established by the U.S. Census Bureau

OIG – HUD Office of the Inspector General

PHA – Public Housing Authority

PMSA – A Primary Metropolitan Statistical Area established by the U.S. Census Bureau

PS – Payment Standard

QHWRA – Quality Housing and Work Responsibility Act

QC – Quality Control

RFTA – Request for Tenancy Approval

RFP – Request for Proposal

RRP – Rental Rehabilitation Program

SEMAP – Section 8 Management Assessment Program

SRO – Single Room Occupancy

SSMA – Standard Statistical Metropolitan Area. (Replaced by Metropolitan Statistical Area)

TR – Tenant Rent

TTP – Total Tenant Payment

UA – Utility Allowance

UARP – Utility Allowance Reimbursement Payment

URP – Utility Reimbursement Payment

DEFINITIONS

Section 8 Program

Absorption

In portability, the point at which the receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

Accessible

When used with respect to the design, construction, or alteration of a facility or a portion of a facility other than an individual dwelling unit, means that the facility or portion of the facility when designed, constructed or altered, can be approached, entered, and used by individuals with physical disabilities. The phrase "accessible to and usable by" is synonymous with accessible.

When used with respect to the design, construction, or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, altered or adapted, can be approached, entered, and used by individuals with physical disabilities.

A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR, Part 8, Section 8.32, is "accessible" within the meaning of this paragraph 2.

When a unit in an existing facility which is being made accessible as a result of alterations is intended for use by a specific qualified individual with disabilities (e.g., a current occupant of such unit or of another unit under the control of the same recipient, or an applicant on a waiting list), the unit will be deemed accessible if it meets the requirements of applicable standards that address the particular disability or impairment of such person.

Accessible Route

A continuous unobstructed path connecting accessible elements and spaces in a building or facility that complies with the space and reach requirements of applicable standards prescribed by 24 CFR, Part 8, Section 8.32.

An accessible route that serves only accessible units occupied by persons with hearing or vision impairments need not comply with those requirements intended to effect accessibility for persons with mobility impairments.

Adaptability

The ability of certain elements of a dwelling unit, such as kitchen counters, sinks, and grab bars, to be added to, raised, lowered, or otherwise altered, to accommodate the needs of persons with or without disabilities, or to accommodate the needs of persons with different types or degrees of disability.

For example, in a unit adaptable for a hearing-impaired person, the wiring for visible emergency alarms may be installed, but the alarms need not be installed until such time as the unit is made ready for occupancy by a hearing-impaired person.

Adjusted Income

annual income less the following allowances, determined in accordance with HUD instructions:

\$480 for each Dependent;

\$400 for any Elderly Family;

For any family that is not an Elderly Family or disabled family, but has a member other than the head of household or spouse, Disabled Assistance Expenses in excess of three percent (3%) of annual income, but this allowance may not exceed the employment income received by Family members who are 18 years of age or older, as a result of the assistance to the Disabled Person;

For any Elderly or Disabled Family

That has no disability assistance expenses, an allowance for Medical Expenses, equal to the amount by which the Medical Expenses exceed three percent (3%) of annual income;

That has Disability Assistance Expenses greater than or equal to three percent (3%) of annual income, an allowance for Disability Assistance expenses computed in accordance with paragraph 3, above, plus an allowance for medical expenses, that is equal to the Family's Medical Expenses;

That has Disability Assistance Expenses that are less than three percent (3%) of annual income, an allowance for combined Disability Assistance Expenses and Medical Expenses, that is equal to the amount by which the sum of these expenses exceeds three percent (3%) of annual income, and

Admission

The effective date of the first HAP contract for a family (first day of initial lease term) in a resident-based program. This is the point when the family becomes a participant in the program.

Annual Contributions Contract (ACC)

A contract under the Housing Act of 1937, as amended, between HUD and the PHA, containing the terms and conditions under which the Department assists the PHA in providing decent, safe, and sanitary housing for low-income families.

The ACC must be in a form prescribed by HUD, under which HUD agrees to provide assistance in the development, modernization, and/or operation of a low-income housing development under the Act, and the PHA agrees to develop, modernize, and operate the development in compliance with all provisions of the ACC and the Act, and all HUD regulations and implementing requirements and procedures.

A written agreement between HUD and a PHA to provide annual contributions to the PHA to cover housing assistance payments and other expenses pursuant to the Act.

Annual Income

The total amount of income that the family anticipates receiving during the year following the date of income calculation

Annual Income includes all amounts, monetary or not, which:

Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

Which are not specifically excluded by law, regulation or notice.

Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

Auxiliary Aids

Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving federal financial assistance.

For example, auxiliary aids for persons with impaired vision may include readers, Braille materials, audio recordings, and other similar services and devices.

Auxiliary aids for persons with impaired hearing may include telephone handset amplifiers, telephones compatible with hearing aids, telecommunication devices for deaf persons (TDD's), interpreters, note takers, written materials, and other similar services and devices.

Child

A member of the family, other than the family head or spouse, who is under 18 years of age.

For continued assistance under Restrictions on Assistance to Non-citizen only: Biological or adopted children only. Stepchildren (not related to either the head of the household or the spouse) and guardianship of minors (either formal or informal) are excluded.

Child Care Expenses

Amounts anticipated being paid by the Family for the care of children under thirteen (13) years of age during the period for which annual income is computed, but only where such care is necessary to enable a Family member to be gainfully employed, to actively seek employment or to further his or her education, and only to the extent such amounts are not reimbursed.

The amount deducted shall reflect reasonable charges for child care, and in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income.

Reasonable child care expenses, as defined by the PHA, shall not exceed the actual costs incurred.

Citizen

A citizen (by birth or naturalization) or national of the United States.

Codes

Includes building codes, housing codes, health and safety codes, sanitation codes and any law, ordinance or governmental regulation concerning fitness for habitation, or the construction, maintenance, operation, occupancy or use of a dwelling unit.

Complaint Inspection

A Complaint Inspection is either a life-threatening fail item or a non-life-threatening fail item which the Owner failed to repair within a reasonable amount of time after receiving notice from the tenant.

Common Space

Space available for use by assisted families and other occupants of the unit.

Consolidated ACC

Consolidated annual contributions contract. See ' 982.151.

Contiguous MSA

In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

Continued Assistance Family

This is a mixed family who meets all the following requirements:

The family was receiving assistance under a Section 214 covered program on June 19, 1995, and

Whose head of the household or spouse has eligible immigration status according to the requirements of the restrictions on assistance to non-citizen, and

The family does not include any person (who does not have eligible immigration status) other than:

The head of the household;

Any spouse of the head of the household;

Any parents of the head of the household;

Any parents of the spouse;

Any children of the head of the household or spouse.

This does not define family for purposes of eligibility at the PHA (see Family in this Definition section.)

A family entitled to continued assistance before November 29, 1996 is entitled to continued assistance as described in the above paragraph. A family entitled to continued assistance after November 29, 1996 shall receive prorated assistance as described in section 5.520.

Continuously Assisted

An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the Housing Choice Voucher Program.

Contract Rent

The total amount of rent specified in the Housing Assistance Payments (HAP) Contract as payable to the owner/landlord by the Family, and by HUD or the PHA on the Family's behalf.

The monthly rent which an owner/landlord is entitled to receive for the leasing of a Manufactured Home Space to an Assisted Family, including any separate fees or charges. This rent includes the maintenance and management services described in the definition of Manufactured Home Space, but excludes ongoing utility charges. Separate fees or charges for services or facilities not included in the definition of Manufactured Home Space shall be included in the Contract Rent only if their payment is required as a condition of the leasing of the Manufactured Home Space. In the case of a cooperative Manufactured Home park, "Contract Rent" means the charges under the occupancy agreements between the members and the cooperative.

Contract of Participation

A contract in a form approved by HUD, entered into between a participating family and a PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The contract of participation includes all individual training and services plans

entered into between the PHA and all members of the family who elect to participate in the FSS program, and which plans are attached to the contract of participation as exhibits.

Controlled Substance

Any drug or other substance, or immediate precursor included in the definition in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

Date of Admission

The HCV program will recognize two separate Dates of Admission:

The date of voucher issuance: The endpoint of the 6-month period during which a family member under the age of 6 years who lacks a SSN may have been added to an applicant family.

The date of lease-up (the effective date of the HAP contract): The starting point for the 90-day period allotted to a family to obtain a SSN for a newly added child under the age of 6 years.

Dating Violence

The term 'dating violence means violence committed by a person (A) who is or has been in a social relationship of a romantic or intimate nature with the victim, and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; (iii) the frequency of interaction between the persons involved in the relationship.

Decent, Safe and Sanitary Housing

Housing is decent, safe and sanitary if the requirements of 982.401 are met (Housing Quality Standards).

Defective Paint Surface

Paint on applicable surfaces that are cracking, scaling, chipping, peeling, or loose (with reference to lead-based paint poisoning prevention).

Dependent

A member of the family household (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age or is a person with a disability, or is a full- time student.

Deposit

Means an amount of currency or an instrument delivered to the owner/landlord by the resident as a pledge to abide by terms or conditions of the rental agreement.

Dilapidated Housing

See the definitions of Substandard Housing.

Disability Assistance Expenses

Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled Person or Family

A person or family whose head, spouse, or sole member is a person with disabilities; or two (2) or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled Family

Disabled family means a family whose head (including co-head), spouse, or sole member is a person with a disability. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

A person who is under a disability, as defined in Section 233 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 (7)).

Section 223 of the Social Security Act defines disability as:

Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted or can be expected to last for a continuous period of not less than 12 months; or

In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in the Social Security Act), inability by reason of such blindness to engage in substantial gainful activity in which he/she has previously engaged with some regularity and over a period of time.

People who have been diagnosed with alcoholism or drug abuse are not part of the definition of disabled.

Discriminatory Housing Practice

An act that is unlawful under Section 804, 805, 806, or 818 of the Fair Housing Act.

Displaced Person or Family

A person or family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

(See also the definition of Involuntary Displacement. See 24 CFR, Part Subpart A, Section 5.420.)

Domestic Violence

The term 'domestic violence' includes felony or misdemeanor crimes of violence committed by a current or former spouse, by a person with whom the victim shares a child in common, by a person who cohabitating with or has cohabitated with the victim as spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Domicile

The legal residence of the household head or spouse as determined in accordance with state and local law.

Drug Abuse and Other Criminal Activity Definitions

1. Adult (Drug-Related and criminal Activity) - a person who is 18 years of age or older, or has been convicted of a crime as an adult under any federal, state, or tribal law.
2. Covered Person - a tenant, any member of the tenant's household, a guest or another person under the tenant's control.
3. Currently Engaging in Illegal Use of a Drug - with respect to behavior such as illegal use of a drug, other drug-related criminal activity, or other criminal activity, currently engaging in, means that the individual has engaged in the behavior recently enough to justify a reasonable belief that the individual's behavior is current.
4. Drug - a controlled substance as defined in section 102 of the Controlled Substance Act.
5. Drug Abuse Treatment Facility - An entity: (a) that holds itself out as providing, and provides, diagnosis, treatment, or referral for treatment with respect to illegal drug use; and (b) that is either an identified unit within a general care facility, or an entity other than a general medical care facility.

Drug-Trafficking

The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Dwelling

Any building, structure or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure or portion thereof.

Dwelling Unit

A single unit of residence for a family of one or more persons. Examples of dwelling units include: a single family home; an apartment unit within an apartment building; and in other types of dwellings in which sleeping accommodations are provided, but toileting or cooking facilities are shared by occupants of more than one room or portion of the dwelling, rooms in which people sleep. Examples of the latter include dormitory rooms and sleeping accommodations in shelters intended for occupancy as a residence for homeless persons.

Earned Income

Earned income means income or earnings included in annual income from wages; tips, salaries, other employee compensation, and self-employment (see 24 CFR 5.609). Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA on behalf of a participating family.

Effective Date of Contract

Effective date of contract of participation means the first day of the month following the month in which the FSS family and the PHA entered into the contract of participation.

Elderly Family

Elderly family means a family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with

one or more live-in aides.

Elderly Person

A person who is at least 62 years of age. Allowance for medical expenses may be allowed for persons who are elderly but not disabled.

Elderly Household

A household whose head and/or spouse is considered elderly by definition. Allowance for medical expenses may be allowed for all persons who reside in the household.

Elevated Blood Lead Level

Excessive absorption of lead, that is a confirmed concentration of lead in whole blood of 25 ug/dl (micrograms of lead per deciliter of whole blood) or greater.

Employer Identification Number

The taxpayer identifying number of an individual, trust, estate, partnership, association, company, or corporation that is assigned pursuant to Section 6011(b) of the Internal Revenue Code of 1986, or corresponding provisions of prior law, or pursuant to Section 6109 of the Code. The Employer Identification Number has nine digits separated by a hyphen, as follows: 00-0000000.

Enrollment

Enrollment means the date that the FSS family entered into the contract of participation with the PHA.

Entrance

Any access point to a building, or portion of a building, used by residents for the purpose of entering the building.

Eviction

Means any action initiated by the owner/landlord to regain possession of a dwelling unit and use of the premises.

Evidence of Citizenship of Eligible Immigration Status

The documents that must be submitted to the PHA as evidence of citizenship or eligible immigration status.

Exterior

All areas of the premises and outside an individual dwelling unit.

Extremely Low-Income Families

A “very low-income family” whose annual income does not exceed the higher of:

The poverty guidelines established by the Department of Health and Human Services applicable to the family of the size involved (except in Puerto Rico or any other territory or possession of the United States); or

30% of the median income for the area, as determined by HUD, with adjustment for smaller and larger family, except that HUD may establish income ceilings higher or lower than 30 percent of the area median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

Facility

All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock or other real or personal property or interest in the property.

Fair Housing Act

Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3600-3620).

Fair Market Rent

The rent, including utilities (except telephone), and all maintenance, management, and other services, which would be required to be paid in order to obtain privately owned, existing, decent, safe, and affordable rental housing of modest (non-luxury) nature with suitable amenities in the market area.

Fair Market Rents are used by PHAs in the Housing Choice Voucher Program to develop the Payment Standard used to determine the appropriate amounts of housing assistance to be paid on behalf of participating families.

The rent which would be required to be paid in order to obtain a privately owned, decent, safe and affordable Manufactured Home Space of a modest nature. This rent includes maintenance and management services described in the definition of Manufactured Home Space for singlewide and doublewide Manufactured Home Spaces. Rents for doublewide spaces will be permitted for Assisted Families of five (5) or more persons so long as the Manufactured Home meets the minimum occupancy standards for families. Fair Market Rents will be established by HUD and will be published in the Federal Register.

Familial Status

One or more individuals (who have not attained the age of 18 years) being domiciled with:

A parent or another person having legal custody of such individual or individuals; or

The designee of such parent or other person having such custody, with the written permission of such parent or other person.

The projections afforded against discrimination on the basis of familial status apply to any person who is pregnant, or is in the process of securing legal custody of any individual who has not attained the age of the eighteen (18) years.

Family

Family includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

A single person, who may an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or

A group of persons residing together, and such group includes, but is not limited to:

A family with or without children (a child who is temporarily away from home because of placement in foster care is considered a member of the family);

An elderly family;

A near-elderly family;

A disabled family;

A displaced family; and

The remaining member of a tenant family.

Family Income

Means Monthly Income as defined in HUD regulations, i.e., using annual income divided by 12.

Family Self-Sufficiency

Family Self-Sufficiency program or FSS program means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by Section 23 of the U.S. Housing Act of 1937.

Family Share

In the Housing Choice Voucher Program, the portion of the rent to owner paid by the family. It is calculated by subtracting the amount of the housing assistance payment to the owner from the rent to owner same as Tenant Rent. Family share will only equal TTP when rent to owner includes all utilities and is equal to or less than the Payment Standard.

Family Unit Size

The appropriate number of bedrooms for a family. Family unit size is determined by the PHA under the PHA subsidy standards.

Fixed Source of Income

A family member with a fixed source of income is a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

- a) Social Security, Supplemental Security Income (SSI), Supplemental Disability Insurance;
- b) Federal, state, local, or private pension plans;
- c) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or
- d) Any other source of income subject to adjustment by a verifiable COLA or current rate of interest

Former Federal Preferences (24 CFR Sec. 982.207)

The PHA may implement the following former federal preferences as Local Preferences:

Working families (head or spouse);

Families for person with a disability;

Victims of domestic violence;

Single persons who are elderly, displaced, homeless or a person with disabilities; and

Provide the same benefit to families whose head and spouse, is either 62 or older or a person with disabilities (if the PHA adopts local preference for working families).

FSS Account

FSS account means the FSS escrow account authorized by Section 23 of the U.S. Housing Act of 1937, and as provided by ' 984.305 of this part.

FSS Credit

FSS credit means the amount credited by the PHA to the participating family's FSS account.

FSS Family

FSS family or participating family means a family that receives assistance under the Housing Choice Voucher Program, and that elects to participate in the FSS program, and whose designated head of the family has signed the contract of participation.

FSS Related Service Program

Means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of "supportive services" set forth in 24 CFR ' 984.

FSS Slots

FSS slots refer to the total number of vouchers that comprise the minimum size of a PHA's Section 8 FSS program.

First Occupancy

A building that has never before been used for any purpose.

FMR

Fair Market Rent. Defined in 24 CFR 982.4.

Full-Time Student

A person, head of household and/or spouse, who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

Gender Identity

Means actual or perceived gender-related characteristics.

Good Faith

Means honesty in fact, in the conduct of the transaction concerned, as evidenced by all surrounding circumstances.

Gross Rent

The total monthly cost of housing an eligible family, or the sum of the Contract Rent plus Utility Allowance. In the case of rental of only a manufactured home space, Gross Rent also includes the Family's monthly payment to amortize the purchase price of the manufactured home.

Ground Floor

A floor of a building with a building entrance on an accessible route. A building may have more than one ground floor.

Guest

A person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

HA

A housing authority--both a public housing agency and an Indian housing authority.

Handicap/Disability

With respect to a person, a physical or mental impairment which substantially limits one or more of such person's major life activities; a record of having such an impairment, or being regarded as having such an impairment.

This term does not include current, illegal use of or addiction to a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

For the purpose of 24 CFR Part 100, Discriminatory Conduct under the Fair Housing Act, an individual shall not be considered to have a disability solely because that individual is a transvestite (a person, especially a male, who dresses in the clothing of the opposite sex for psychological reasons).

Handicapped/Disabled Assistance Expenses

Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a Disabled Family member, and that are necessary to enable a Family member (including the Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

Handicapped/Disabled Person (included under Disabled)

A person having a physical or mental impairment that:

Is expected to be of long-continued and indefinite duration;

Substantially impedes the person's ability to live independently; and

Is of such a nature that such ability could be improved by more suitable housing conditions.

Has a Record of Such an Impairment

As used in the definition of Disability, means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

Head of Household

The adult member of the family, 18 years old or older, and who is the head of the household for purposes of determining income eligibility and rent.

Homelessness

Per PIH Notice 2013-15, the PIH definition for IMS-PIC reporting (Form 50058) is narrowed to the following two categories found in The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act).

Category 1: An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- a) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; **or**
- b) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); **or**

- c) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

Category 4: Any individual or family who:

- a) Is **fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking**, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; **and**
- b) Has no other residence; **and**
- c) Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

Home-Visit (Telephone Interview)

When applicants/participants are unable to physically come into the PHA's office due age or medical condition, a home-visit (telephone interview) can be done to gather the needed to either complete an application for housing or for annual re-certification. Verifications needing signatures can be either mailed to the individual or other arrangements can be made at PHA's discretion.

Housing Agency (PHA)

Any state, county, municipality, other governmental entity, or public body (or agency or instrumentality thereof) that is authorized to engage in or to assist in the development or operation of low-income housing. For the purposes of 24 CFR, Part 942, Resident Participation and Management in Public Housing, the term Public Housing Agency does not include Indian Housing Authorities. As used in 24 CFR, Part 965, Subpart E, Resident's Allowance for Utilities, PHA includes an Indian Housing Authority.

Housing Assistance Payment

The monthly assistance payment by a PHA. The total assistance payment consists of:

A payment to the owner/landlord for rent to owner/landlord under the family's lease.

An additional payment to the family if the total assistance payment exceeds the rent to owner/landlord.

Housing Assistance Payments Contract

A written contract between the PHA and an owner/landlord in the form prescribed by HUD headquarters, for the purpose of providing housing assistance payments to the owner/landlord on behalf of an Eligible Family.

Housing Quality Standards

The HUD minimum quality standards for housing assisted under the resident-based programs.

Housing Choice Voucher Program

The statutory merger of the Section 8 tenant-based certificate and voucher programs into the new Housing Choice Voucher Program and makes other amendments to other provisions of the interim rule published on May 14, 1999.

Housing Voucher Contract

A written contract between a PHA and an owner/landlord, in the form prescribed by HUD for the Housing Choice Voucher Program, in which the PHA agrees to make housing assistance payments to the owner/landlord on behalf of an Eligible Family.

Housing Voucher Holder

A family that has an unexpired housing voucher.

HUD

The Department of Housing and Urban Development or its designated officer or employee.

HUD Local Office

Any HUD Office that has been delegated authority under the U.S. Housing Act of 1937 to perform functions pertaining to the area in which the PHA is located.

Income Limits

HUD establishes Extremely Low-Income, Very Low-Income and Low-Income limits that are used to determine if assisted housing program applicants qualify for admission to HUD-assisted programs. These income limits are based on HUD estimates for area median family income (using Metropolitan Statistical Areas or Primary Metropolitan Statistical Areas as defined by the Office of Management and Budget (OMB), and the Bureau of the Census definition of family) with specific statutorily permissible adjustments. If the income limits based on this approach would be less than if based on the relevant State non-metropolitan median family income level, income limits are based on the State non-metropolitan family income level.

Independent Group Residence

A dwelling unit for the exclusive residential use of two to twelve elderly or disabled individuals (excluding live-in Resident Assistant(s) if any), who are not capable of living independently, and who require a planned program of continual supportive services.

Individuals residing in an Independent Group Residence and receiving Section 8 assistance shall not require continual medical or nursing care, and shall be ambulatory or not require continual medical or nursing care, and shall be ambulatory or not confined to a bed continuously, and must be capable of taking appropriate actions for their own safety under emergency conditions.

Individual Lease Shared Housing

The type of Shared Housing in which the PHA enters into a separate HAP Contract for each assisted Family residing in a Shared Housing unit.

Individual Training Services Plan

Means a written plan that is prepared for the head of the FSS family, and each adult member of the FSS family who elects to participate in the FSS program, by the PHA in consultation with the family member, and which sets forth:

The supportive services to be provided to the family member;

The activities to be completed by that family member; and

The agreed upon completion dates for the services and activities. Each individual training and services plan must be signed by the PHA and the participating family member, and is attached to, and incorporated as part of the contract of participation. An individual training and services

plan must be prepared for the head of the FSS family.

Individual With Disability

A person having a physical or mental impairment that (a) is expected to be of long-continued and indefinite duration, (b) substantially impedes the person's ability to live independently, and (c) is of such a nature that such ability could be improved by more suitable housing conditions.

Initial Contract Rent

The contract rent at the beginning of the initial lease term.

Initial PHA

In portability, the term refers to both:

A PHA that originally selected a family that subsequently decides to move out of the jurisdiction of the selecting PHA.

A PHA that absorbed a family that subsequently decides to move out of the jurisdiction of the absorbing PHA.

Initial Lease Term

The initial term of the assisted lease. The initial lease term is at least one year. At the PHA's discretion, lease term may be shorter than 1 year.

Interior

The spaces, parts, components or elements of an individual dwelling unit.

Interim Reexaminations

Some Housing Authorities also call this, "special" reexaminations. The family must comply with regulations requiring them to report changes in income and family composition. The PHA requires the reporting of the changes within 10 days of the effective change (or other date as established by the PHA). The Housing Authority must determine if there is to be an adjustment to the Total Tenant Payment, Tenant Rent, and/or Housing Assistance Payment.

Is Regarded as Having an Impairment

As used in the definition of Disability, means:

Has a physical or mental impairment that does not substantially limit one or more major life activities, but that is treated by another person as constituting such a limitation;

Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or

Has none of the impairments defined under the definition of "physical or mental impairment," below, but is treated by another person as having such an impairment.

Jurisdiction

The area in which the PHA has authority, under state and local law, to administer the Section 8 program.

Kin-GAP Payments

Kin-GAP payments are subsidies that go to, or on behalf of, children leaving the juvenile court system to live with a relative or legal guardian. This is an excluded income.

Kinship Care Payments

Kinship care payments are foster care subsidies that go to, or on behalf of, children living with a relative or legal guardian. This is an excluded income.

Lead-Based Paint

A paint surface, whether or not defective, identified as having a lead content greater than or equal to one microgram of lead per square centimeter (one centimeter is slightly more than three-eighths of an inch).

Lease

A written agreement between an owner/landlord and a resident for the leasing of a dwelling unit to the resident. The lease established the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner/ landlord and the PHA.

In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement established the conditions for occupancy of the member's cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA.

Lease Addendum

In the lease between the resident and the owner/landlord, the lease language required by HUD.

Live-In Aide

A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

Is determined by the PHA to be essential to the care and well-being of the person or persons;

Is not obligated for support of the person or persons; and

Would not be living in the unit except to provide necessary supportive services. (See the definition of annual income for treatment of a Live-In Aide's income.)

Local Preference

A preference used by the PHA to select among applicant families.

PHA cannot deny or otherwise penalize a family solely because the family resides in public housing.

Low-Income Family

A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low-income family.

Major Life Activities

As used in the definition of Disability, means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.

Manufactured Home

A structure, with or without a permanent foundation, which is built on a permanent chassis, is designed for use as a principle place of residence, and meets the HUD Housing Quality Standards set forth in 24 CFR, Part 8, Sections 882.109 and 887.473.

Manufactured Home Space

The space on which the Manufactured Home is located, leased by an owner/landlord, and occupied by the assisted family. The space shall include all maintenance and management services necessary for decent, safe and sanitary housing, such as maintenance of utility lines, garbage and trash collection, and maintenance of roads, walkways and other common areas and facilities.

Marriage

Marriage certified by a formal marriage license, or an informal marriage, as may be specified in State or local laws or regulations.

Medical Expenses

Those medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance. (Medical expenses are allowable only for Elderly or Disabled Families.)

Minor

A person who is under the age of legal competence and less than 18 years of age, unless otherwise determined by state law.

Mixed Family

A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Monthly Adjusted Income

One-twelfth of Adjusted Income.

Monthly Income

One-twelfth of annual income.

National

A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession, including Puerto Rico, the U.S. Virgin Islands, Guam, Canal Zone, etc.

Near-Elderly Person/Family

Near-elderly family means a family whose head (including co-head), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62, living with one or more live-in aides.

Net Family Assets

Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home-ownership programs.

The value of necessary items of personal property, such as furniture and automobiles, shall be excluded.

In cases where a trust fund has been established and the trust is not revocable by, or under the control of any member of the Family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.

In determining Net Family Assets, the Authority shall include the value of any assets disposed of by an applicant or resident for less than fair market value, including a disposition in trust, but not in a foreclosure or bankruptcy sale, during the two (2) years preceding the date of application for the program, or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or resident received important consideration not measurable in dollar terms.

Non-Citizen

A person who is neither a citizen nor a national of the United States.

Normal Wear and Tear

Means deterioration which occurs, based upon the use for which the rental unit is intended, without negligence, carelessness, accident, abuse, or intentional damage of the premises, equipment or chattels of the owner/landlord by the resident, members of the resident's household, or by his/her invitees or guests. However, uncleanliness does not constitute normal wear and tear.

Owner/Landlord

Any person or entity, including a cooperative, having the legal right to lease or sublease a unit to a participant.

Participant

A family that has been admitted to the PHA program, and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

Passbook Rate

The interest rate, as determined by the PHA, used in calculating the imputed income from assets over \$5,000.

Passbook Rate Calculation

The PHA will use the actual Savings National Rate that is in effect on the first day of the PHA's fiscal year. The PHA will review the Savings National Rate annually and adjust it accordingly on the first day of the PHA's fiscal year. Current and historical Savings National Rates may be accessed at www.fdic.gov/regulations/resources/rates/.

Payment Standard

In the Housing Choice Voucher Program, an amount used by the PHA to calculate the housing assistance payment for a family. Each Payment Standard amount is based on the fair market rent. The PHA adopts a Payment Standard for each bedroom size and for each fair market rent area in the PHA jurisdiction. The Payment Standard for a family is maximum monthly subsidy payment.

Person

Includes one or more individuals, corporations, partnerships, associations, labor organizations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in cases under Title 11 of the United States Code, receivers, and fiduciaries.

PHA Jurisdiction

The area in which the PHA is not legally barred from entering into Housing Assistance contracts.

Physical or Mental Impairment

As used in the definition of Disability, includes:

Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genitourinary; hemic and lymphatic; skin; and endocrine; or

Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

The term "physical or mental impairment" includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, Human Immunodeficiency Virus infection, mental retardation, emotional illness, drug addiction (other than addiction caused by current, illegal use of a controlled substance) and alcoholism.

Portability

Renting a dwelling unit with Section 8 resident-based assistance outside the jurisdiction of the initial PHA.

Preponderance of Evidence

Evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Preference Over Single Persons

An applicant that is a one- or two-person's elderly, disabled or displaced family, must be given a preference over an applicant that is a single person who is not an elderly, displaced person, or a person with disabilities.

Premises

The building or complex in which the dwelling units is located, including common areas and grounds.

Public Housing Agency (PHA)

Any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) that is authorized to engage in, or to assist in the development or operation of low-income housing.

Public Use Areas

Interior or exterior rooms or spaces of a building that are made available to the general public. Public use may be provided at a building that is privately or publicly owned.

Qualified Individual With Disabilities

With respect to employment, an individual with disabilities who, with reasonable accommodation, can perform the essential functions of the job in question; and

With respect to any non-employment program or activity which requires a person to perform services or to achieve a level of accomplishment, an Individual With Disabilities who meets the essential eligibility requirements and who can achieve the purpose of the program or activity without modifications in the program or activity that the recipient can demonstrate would result in a fundamental alteration in its nature; or

With respect to any other non-employment program or activity, an individual with disabilities who meets the essential eligibility requirements for participation in, or receipt of benefits from, that program or activity.

Essential eligibility requirements include stated eligibility requirements, such as income, as well as other explicit or implicit requirements inherent in the nature of the program or activity, such as requirements that an occupant of multifamily housing be capable of meeting the recipient's selection criteria, and be capable of complying with all obligations of occupancy with or without supportive services provided by persons other than the recipient.

Reasonable Accommodation

Means making alterations or adaptation to provide access to otherwise qualified individuals with disabilities, in the use of the program and facilities, without causing undue hardship or substantially altering the program or activity.

Reasonable Rent

A rent to owner/landlord that is not more than either:

Rent charged for comparable units in the private unassisted market; or

Rent charged by the owner/landlord for a comparable assisted or unassisted unit in the building or premises.

Residency Preference 24 CFR Sec. 982.207

Eliminates the explicit requirement that PHA's seek HUD approval before establishing a residency preference (although the Section 8 Administrative plan is a supporting document to the annual PHA Plan). PHA's may adopt a residency preference if the preference does not delay or deny admission to the program based on race, color ethnic origin, gender, religion, disability or age. Residency area must not be smaller than a county or municipality.

Receiving PHA

In portability, a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher, and provides program assistance to the family.

Regular Reexaminations

The PHA must reexamine the income and composition of all families at least once every twelve (12) months. The family is required to submit any certification, release, information or documentation that the Housing Authority or HUD has determined necessary.

The PHA will adjust the Total Tenant Payment and Housing Assistance Payment to reflect the changes in income and family composition.

Related Lease Shared Housing

The type of Shared Housing in which the PHA enters into a single HAP Contract for two assisted Families residing in a Shared Housing unit.

Rent to Owner/Landlord

The monthly rent payable to the owner/landlord under the lease. Rent to owner/landlord includes payment for any services, maintenance and utilities to be provided by the owner/landlord in accordance with the lease.

Rental Voucher

A document issued by a PHA to a family selected for admission to the Housing Choice Voucher Program. The voucher describes the program, and the procedures for PHA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Resident

Means a person entitled, under a rental agreement, to occupy a dwelling unit in peaceful possession, to the exclusion of others, and includes the owner/landlord of a mobile home renting premises, other than a lot or parcel in a mobile home park, for use as a site for the location of the mobile home.

Responsible Entity

The person or entity responsible for administering the restrictions on providing assistance to Non-citizens with ineligible immigration status:

For the Section 8 Rental Housing Voucher and the Section 8 Moderate Rehabilitation programs, the housing authority (PHA) administering the program under an ACC with HUD;

For all other Section 8 programs, the owner/landlord.

Section 214

Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a). Section 214 restricts HUD from making financial assistance available for non-citizen unless they meet one of the categories of eligible immigration status specified in Section 214. See also paragraph 1-2, Authority.

Section 214 Covered Programs

Programs to which the restrictions imposed by Section 214 apply are programs that make available financial assistance pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437-1440), Section 235 or Section 236 of the National Housing Act (12 U.S.C. 1715z-1) and Section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s).

Section 504

Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, as it applies to programs or activities receiving federal financial assistance.

Sex-Offender

HUD determines a sex-offender to be someone who is required to be registered in a State life-time sexual offender registry.

Sexual Orientation

Means homosexuality, heterosexuality or bisexuality.

Single Family Residence

Means a structure maintained and used as a single dwelling unit. Notwithstanding that a dwelling unit shares one or more walls with another dwelling unit, it is a single family residence if it has direct access to a street or thoroughfare and does not share heating facilities, hot water equipment, nor any other essential facility or service with any other dwelling unit.

Single Person

A person who lives alone, or intends to live alone, and who does not qualify as an Elderly Family, a Displaced Person, or the Remaining Member of a Resident Family.

Single Room Occupancy Housing

A unit which contains no sanitary facilities or food preparation facilities, or which contains one but not both types of facilities (as those facilities are defined in 24 CFR 882.109(a) and (b) and which is suitable for occupancy by a single eligible individual capable of independent living. The unit is located within a multifamily structure consisting of more than 12 units.

Social Security Number

The number that is assigned to a person by the Social Security Administration of the Department of Health and Human Services, and that identifies the record of the person's earnings that are reported to the Administration.

The Social Security Number has nine digits separated by hyphens, as follows: 000-00-0000. It does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary under the Social Security System.

Special Admission

Admission of an applicant that is not on the PHA waiting list, or without considering the applicant's waiting list position.

Special Reexaminations

See Interim Reexaminations.

Spouse

The marriage partner of the head of household.

Stalking

The term 'stalking' means engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others; or suffer substantial emotional distress.

Stalking may include to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and/or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily harm to: (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person. Immediate family member means, with respect to a person- - a spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in loco parentis; or any other person living in the household of that person and related to that person by blood and marriage.

State

Any of the several states of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States, the Trust Territory of the Pacific Islands, and Indian tribes.

Statement of Family Responsibility

An agreement, in the form prescribed by HUD, between the PHA and a family to be assisted under the program, stating the obligations and responsibilities of the two parties.

Subsidy Standards

Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions (see definition of family unit size).

Suspension

Stopping the clock on the term of a family's voucher for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request.

Temporary Deferral

Temporary deferral of termination of assistance is granted, the deferral period shall be for an initial period not to exceed six (6) months. The initial period may be renewed for additional periods of six (6) months, but the aggregate deferral period for deferrals provided after November 29, 1996 shall not exceed a period of eighteen (18) months. The aggregate deferral period for deferrals granted prior to November 29, 1996 shall not exceed three (3) years. These time periods do not apply to a family that includes a refugee under section 207 of the Immigration and Nationality Act or an individual seeking asylum under section 208 of that Act.

Tenant

The person or persons (other than a live-in aide) who executed the lease as lessee of the dwelling unit.

Tenant-Based

Rental assistance that is not attached to the structure.

Tenant Rent

In the Housing Choice Voucher Program, the portion of the rent to the owner paid by the family. It is calculated by subtracting the amount of the housing assistance payment to the owner from the rent to owner.

Term

Means the period of occupancy specified in the rental agreement.

Total Tenant Payment

Total Tenant Payment for families whose initial lease is effective on or after August 1, 1982.

Total tenant payment is the amount calculated under section 3(a)(1) of the 1937 Act (42 U.S.C. 1437a(a)(1)). Total Tenant Payment shall be the highest of the following, rounded to the nearest dollar:

30 percent of Monthly Adjusted Income;

10 percent of Monthly Income; or

If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under paragraph (C) of section 3(a)(1) of the 1937 Act (42 U.S.C. 1437a(a)(1)(C)) shall be the amount resulting from one application of the percentage.

A minimum amount of tenant rent as defined by the housing agency.

U.S. Citizenship and Immigration Services (CIS)

Formerly the U.S. Immigration and Naturalization Service (INS).

Utility Allowance

If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the Contract Rent, but is the responsibility of the Family occupying the unit, an amount equal to the estimate made or approved by the PHA or HUD under applicable sections of HUD regulations of the monthly costs of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances, consistent with the requirements of a safe, sanitary, and healthful living environment.

The utility allowance for the family shall be the lesser of:

- a) The size of unit actually leased by the family; or
- b) The family unit size as determined under the PHA subsidy standards.

In cases where the unit size leased exceeds the family unit size as determined under the PHA subsidy standards as a result of a reasonable accommodation, the PHA must use the appropriate utility allowance for the size of the unit actually leased by the family.

Utility Allowance Reimbursement Payment

See Utility Reimbursement.

Utility Hook Up Charges

Costs payable by an Assisted Family for connecting its Manufactured Home to utilities such as water, gas, electrical and sewer lines.

Utility Reimbursement Payment

In the Housing Choice Voucher Program the portion of the housing assistance payment that exceeds the amount of rent to the owner. May also be referred to as Utility Allowance Reimbursement Payment.

Verification Technique Definitions:

Upfront Income Verification (UIV) (Level 6/5)

The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

Written Third Party Verification (Level 4)

An original or authentic document generated by a third-party source dated either within the 60-day period preceding the reexamination or PHA request date.

Written Third Party Verification Form (Level 3)

A standardized form to collect information from a third-party source (also known as traditional third party verification). The form is completed by the third party by hand (in writing or in typeset). PHAs send the form directly to the third-party source by mail, fax, or email.

Oral Third Party Verification (Level 2)

Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone, or in-person visit.

Tenant Declaration (Level 1)

The tenant submits an affidavit or notarized statement of reported income and/or expenses to the PHA.

Very Low-Income Family

A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

HUD may establish income limits higher or lower than 50 percent of the median income for the area, on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

Veteran

Means any person honorably discharged from the Armed Forces of the United States, who served in, but not limited to, World War I, between April 6, 1917, and November 11, 1918, both dates inclusive; or in World War II, on or after December 7, 1941, until final cessation of all hostilities; or in the Korean Conflict; Lebanon Crisis; Berlin Crisis; the Congo; the Dominican Republic, and Vietnam.

"Veteran" does not include a person enlisted and accepted for active training only for a period of six (6) months or less.

Violent Criminal Activity

Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher (rental voucher)

A document issued by a PHA to a family selected for admission to the Housing Choice Voucher Program. The voucher describes the program, and the procedures for PHA approval of a unit selected by the family. The voucher also states the obligations of the family under the Housing Choice Voucher Program.

Waiting List Admission

An admission from the PHA waiting list.

Welfare Assistance

Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by federal, state, or local governments.

Welfare-to-Work

Families assisted by a PHA with voucher funding awarded to the PHA under the HUD Welfare-to-Work Voucher Program.

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NOTICE

The Nelrod Company has made its best efforts to comply with regulations, laws, and federal/local policies. The Nelrod Company does not offer advice on legal matters or render legal opinions. We recommend that this policy be reviewed by the Housing Authority's general counsel and/or attorney prior to approval by the Board of Commissioners.

The Nelrod Company is not responsible for any changes made to these policies by any party other than The Nelrod Company.