



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ◆ Karyn E. Polito, Lieutenant Governor ◆ Janelle Chan, Undersecretary

Public Housing Notice 2019-16

To: All Local Housing Authorities
All Non-Profit Housing Agencies Administering Massachusetts Rental Voucher

From: Laura A. Taylor, Director, Bureau of Housing Management

Date: June 7, 2019

Subject: Wage Match for State Housing Program Tenants

THIS PUBLIC HOUSING NOTICE MAY AFFECT YOUR PERFORMANCE MANAGEMENT REVIEW (PMR) AND AGREED UPON PROCEDURES (AUP) FINANCIAL REVIEW. PLEASE READ.

**ALL LOCAL HOUSING AUTHORITIES ARE REQUIRED TO EXECUTE THE
WAGE MATCH ACKNOWLEDGEMENT REGARDING CONFIDENTIALITY OF INFORMATION
&
DEPARTMENT OF REVENUE (DOR) DISCLOSURE AND SECURITY TRAINING FOR
SAFEGUARDING INFORMATION
NONCOMPLIANCE MAY AFFECT YOUR PERFORMANCE MANAGEMENT REVIEW (PMR) AND
AGREED UPON PROCEDURES (AUP) FINANCIAL REVIEW.**

Wage Match must be conducted for state housing program tenants, including tenants in conventional housing, MRVP and AHVP. All Massachusetts housing authorities and non-profit agencies that administer state-funded housing programs must participate in the Wage Match program, which was first implemented in 2004. The pertinent law and regulations can be found at M.G.L. c. 62E, M.G.L. c. 66A, 760 CMR 6.00 and 801 CMR 3.00.

As part of an Interdepartmental Service Agreement (ISA) between the Massachusetts Department of Revenue (DOR) and the Massachusetts Department of Housing and Community Development (DHCD), DHCD is authorized to receive wage reporting information from DOR pursuant to M.G.L. c. 62E, § 3. The wage match system information is exchanged via the statewide network. LHAs transmit data via the internet Wage Match System, which is accessed through the housing authority DHCD Housing Applications web page. We then transmit the data to DOR. DOR then matches the data against its wage reporting files, provides information to DHCD, and in turn, DHCD forwards the information to the applicable LHA. Responses will be received back at an LHA within five (5) days. LHAs review the wage reporting information to determine whether income reported by tenants for determining rent is correct.

We are required, on a periodic basis, to provide information about the wage match system. Further, we must ensure that LHA's and Non-Profits are informed of the confidentiality requirements and penalties for non-compliance.

For Whom is Wage Match Conducted and Notification Process

LHAs shall conduct a wage match for every adult member (aged 18 and over) of the tenant household residing in state housing programs. Tenants must be informed about the wage match program and must authorize the use of their Social Security numbers for the program. Tenants are required by the lease to provide their social security number, and to authorize use of their social security number by the housing authority for verification of income and assets through DOR's wage reporting system. However, there is no requirement that applicants or tenants have a social security number to be eligible or housed.

Please send Attachment A, a Letter to Tenants and Attachment B, the Income/Asset/Tax Match Authorization form to all households. The letter explains the program and asks adult tenants to furnish their social security numbers. You must personalize this letter before sending it. The letter should be placed on housing authority letterhead. Also, the name of the authority, the due date, and the return address must be added to the authorization form. You must retain these authorization forms.

Confidentiality and Controls

Because LHAs and Non-Profits, through this system, have access to "personal data" as defined by M.G.L. c. 66A, LHAs and Non-Profits must ensure the confidentiality of information requested and received through the wage match system. As such, LHAs are subject to and must comply with all applicable laws and regulations relating to confidentiality and privacy, including but not limited to M.G.L. c. 62E, M.G. L. c. 66A, 760 CMR 4.00 and 801 CMR 3.00. The Executive Director is responsible for ensuring the security and confidentiality of the wage reporting information entrusted to his or her LHA or Non-Profit and to ensure that all employees who have access to wage reporting information understand the severe penalties associated with any misuse of this information. Wage reporting information may only be accessed or viewed by an authorized employee of your LHA or Non-Profit and must directly relate to his or her assigned case. No other employee or person under your LHA's or Non-Profit's control, or on your premises, may inspect, disclose or browse the wage reporting information for any purpose.

As the HAFIS administrator, it is the responsibility of the Executive Director to determine who will access Wage Match information. The Executive Director will assign a user name and password to that employee, which will allow him/her to log on to the Wage Match application. If or when that authorized individual is no longer employed at the LHA or Non-Profit, their log-on capability must be disabled in HAFIS. A new user name and password must be assigned to the next employee authorized to access Wage Match information.

Any unauthorized disclosure of wage reporting information will result in the immediate termination of your LHA's or Non-Profit's authorization to receive such information. As a holder of personal data, an unauthorized disclosure of wage reporting information may subject your LHA or Non-Profit to the

payment of monetary damages. In addition, an unauthorized release of wage reporting information may subject your employees to a fine.

Each LHA and Non-Profit shall adopt its own set of guidelines for handling wage match information, which shall include, at a minimum, the following:

- (1) a list of employees who will be authorized to request and receive information provided through the Wage Match system;
- (2) a written statement which sets forth the safeguards to ensure the protection of the privacy and confidentiality of the wage reporting information, including, but not limited to, access to computers, printed materials, and storing of information;
- (3) procedures to ensure that the use of wage reporting information is only to verify the income and assets of households in the LHA's state housing programs; and
- (4) a statement that the LHA will notify DHCD immediately, both orally and in writing, if any wage reporting information is improperly used or accessed. The LHA will cooperate with DHCD to enjoin or prevent misuse of, regain possession of, and otherwise protect the data.

Procedures for Handling Cases of Income Discrepancy

The information obtained from DOR is to be compared with income information reported by tenants for rent determination to see if there are any significant discrepancies. Significant in this case is defined as a difference between a household's income, based on information from DOR and that reported by the tenant or voucher holder, of ten percent or more. Cases of discrepancy will be identified in the manner described below.

A. Identifying Cases of Income Discrepancy

The LHA or Non-Profit will compare income and asset information reported by members of a tenant household with wage reporting information provided by DOR. The LHA will use its best judgment to identify cases where there is a discrepancy of ten percent or greater. This ten percent figure triggers a rent re-determination under 760 CMR 6.00 and 760 CMR 49.00.

When the LHA or Non-Profit believes a tenant probably has income that exceeds this ten percent threshold, the LHA or Non-Profit will ask the tenant to explain the difference at meetings with housing authority or non-profit staff.

B. Meetings/Hearing Process

The LHA or Non-Profit shall provide the tenant with an opportunity to explain the discrepancy.

1. The tenant will be requested in writing to attend a meeting at the housing agency. The letter must state the purpose of the meeting and contain the information from DOR that will be discussed. The letter will ask the tenant to call the housing agency to arrange for a mutually agreeable time.
2. If the tenant does not contact the LHA or Non-Profit, the housing agency will make a reasonable effort to set up the meeting. If no meeting has been arranged with the tenant after three weeks from the date of the notification letter, the housing agency will proceed to notify the tenant of his or her right to request a Grievance Hearing [See Step 5].
3. At the meeting, the housing agency director or his or her designee will discuss the information obtained from DOR concerning the tenant's wages and how it might affect the tenant's rent or voucher amount, or might be grounds for the tenant's eviction or termination. The tenant will be given three weeks from the date of this meeting to provide income information, documentation, or other evidence that shows why the wage reporting information received from DOR is incorrect. The LHA or Non-Profit will evaluate all information provided by the tenant.
4. The LHA or Non-Profit will then send a letter notifying the tenant of the action it will take, if any. If adverse action will be taken (i.e., increased rent, termination, or eviction), the housing agency will ask the tenant to attend an additional meeting. The letter will state clearly how the tenant is to schedule this meeting and the deadline for doing so. This meeting should be held within three weeks of the date of the letter. Any adverse action the LHA or Non-Profit plans to take shall commence following this meeting, if one is held, or at the end of the three-week period, if the tenant does not schedule or attend a meeting.
5. Tenants who feel aggrieved because of adverse action taken by an LHA or Non-Profit are entitled to a grievance hearing according to procedures outlined in 760 CMR 6.08 for state housing tenants and 760 CMR 49.10 for voucher holders (which refers to the process outlined in 760 CMR 6.08).

Reporting Adverse Actions to DHCD

LHAs and Non-Profits must report to DHCD any adverse actions they take for each tenant, such as evictions or termination proceedings, rent increases, or rent repayment arrangements. These cases should be reported on the attached, *Adverse Action Report to DHCD*, Attachment C. It is not necessary to report cases that are investigated but are cleared.

Executive Director/Board Approval

Your signature on Attachment D, Executive Director/Board Approval Regarding Wage Match, will indicate that you have read and thoroughly understand the contents of this notice. It will also indicate that all authorized employees at your housing authority have read and signed, Attachment E, Wage Match Acknowledgement Regarding Confidentiality of the Department of Revenue's Information and Attachment F, the DOR Disclosure and Security Training for Safeguarding Information. Please note that the Acknowledgement & DOR Disclosure and Security Training for Safeguarding Information include a summary of the law and other attachments. **Please have the Executive Director, as well as the Chairperson of your Board of Commissioners sign on the appropriate lines of Executive Director/Board Approval Regarding Wage Match, after Board approval. In addition, please provide a list of all employees that are authorized to request and receive information provided through Wage Match.**

Please complete all Acknowledgements and scan/return this signed Executive Director/Board Approval Regarding Wage Match certification, along with the employee list, within forty-five (45) days of the date of this Public Housing Notice (PHN) to Michael Chow, Auditor, Bureau of Housing Management, at Michael.Chow@Mass.Gov. If you have any questions about the Wage Match system, please call Michael Chow of the Bureau of Housing Management at (617) 573-1201.

Please be advised that you must comply with the terms of this Public Housing Notice, as detailed in this section, entitled, "Executive Director/Board Approval." Failure to do so, will result in an "Exception" on your Authority's annual Agreed Upon Procedures (AUP) financial review. In addition, you may receive a poor rating on your Authority's annual Performance Management Review (PMR), as detailed below.

Commencing with FYE 2020 the Executive Director/Board Approval form will be a required submission with your fiscal year-end reports, along with other required year-end submissions for the Performance Management Review (PMR). If you fail to do comply, you may receive a negative rating on your PMR.

Please be advised that both the AUP and PMR will be published for review by the general public.

If you have any questions about the Wage Match system, you may email or call Michael Chow at (617) 573-1201.

- ATTACHMENTS:
- A: Sample Letter to Tenants
 - B: Income/Asset/Tax Match Authorization
 - C: Adverse Action Report to DHCD
 - D: Executive Director/Board Approval (Must be signed and returned to DHCD)
 - E: Wage Match Acknowledgement Regarding Confidentiality of Information
(Signed by All Authorized Employees)
 - F: DOR Disclosure and Security Training for Safeguarding Information
(Signed by All Authorized Employees)