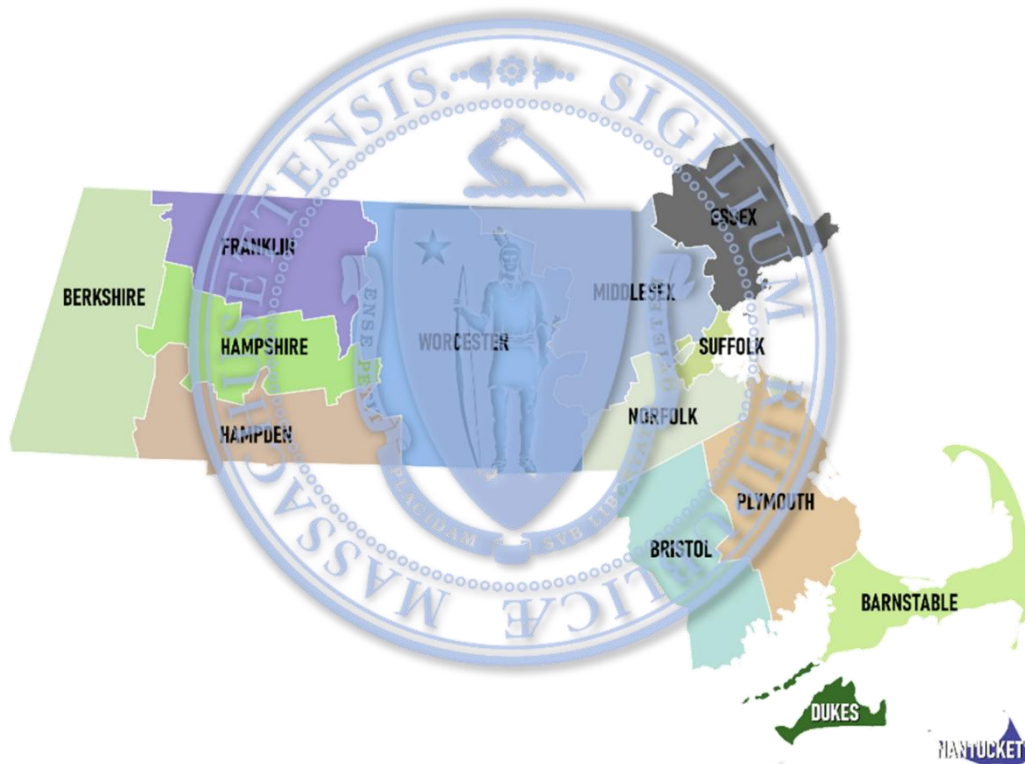


# Housing Choice Voucher Program Administrative Plan

EXECUTIVE OFFICE OF HOUSING AND  
LIVABLE COMMUNITIES



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# CHAPTER 1 : OVERVIEW

## 1.1 INTRODUCTION



In June of 2023, what was previously known as the Department of Housing and Community Development (DHCD) became its own secretariat and is now the Executive Office of Housing and Livable Communities (EOHLC). This was the result of Governor Healey and Lt. Governor Driscoll filing Article 87 legislation to establish a stand-alone secretariat that focused on housing.

Executive Office of Housing and Livable Communities (EOHLC) receives its funding for the Housing Choice Voucher (HCV) program (formerly known as and still commonly referred to as “Section 8”) from the U.S. Department of Housing and Urban Development (HUD). EOHLC is not a federal department or agency. EOHLC is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low-income families. EOHLC enters into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. EOHLC must ensure compliance with federal laws, regulations, and notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation.

On June 19, 2008, the then named Massachusetts DHCD entered into an Amended and Restated Moving to Work Agreement (MTW Agreement) with HUD. As a Moving to Work (MTW) agency, the currently named EOHLC has the flexibility to waive certain statutory and regulatory provisions applicable to the Housing Choice Voucher Program. EOHLC’s MTW Agreement was extended through 2028.

In cases where MTW flexibilities conflict with statutes or NOFA requirements, the statutory and NOFA requirements will take precedence over the MTW flexibility, unless otherwise approved or waived by HUD. Where Enhanced and Tenant Protection vouchers are concerned, EOHLC will not use MTW flexibility to infringe on the protections applied to these families.

EOHLC’s Administrative Plan includes policies which have been developed and implemented under the MTW program. The policies adopted by EOHLC under the MTW Agreement will remain in force through the term of the Agreement and will supersede existing and applicable HUD requirements unless and until amended. Where a HUD regulation, including as cited within this plan, conflicts with an MTW policy, the MTW policy will prevail. Program policies related to the Housing Choice Voucher (HCV) Program and not addressed in this plan are governed, as applicable, by EOHLC’s MTW Agreement, Annual Plans, and federal statutes and regulations, as well as other applicable law.

This chapter contains information about EOHLC and its programs with emphasis on the HCV program. It also contains information about the purpose, intent and use of the plan and guide.

## 1.2 ORGANIZATION AND STRUCTURE OF THE PHA

EOHLC subcontracts the day-to-day management and operations of its HCV and Moderate Rehabilitation programs to designees including qualified agencies. These designees or regional administering agencies (RAAs) (see the [EOHLC Resource Locator](#)), manage the day-to-day operations of EOHLC’s HCV programs in accordance with their EOHLC contract; HUD regulations, notices, and directives; this Administrative Plan; and directives and guidance provided by EOHLC.

EOHLC may periodically re-qualify these agencies as RAAs, and EOHLC will periodically review its RAAs’ administrative practices to ensure consistency in program administration. At any time, EOHLC may require the RAAs to amend or modify their discretionary procedures.

Throughout this Admin Plan, EOHLC will be referenced when discussing responsibilities related to policy development and guidance for implementation. The RAAs will generally be identified as the entities responsible for the actionable implementation of the policies. However, since EOHLC is the governing agency for the HCV program administered by the RAAs, it retains the authority to oversee and perform any tasks outlined in this Admin Plan that may be designated as the responsibility of the RAAs.

### 1.3 PHA MISSION

The mission of EOHLC is to strengthen cities, towns, and neighborhoods to enhance the quality of life of Massachusetts residents. We provide leadership, professional assistance, and financial resources to promote safe, decent affordable housing opportunities, economic vitality of communities, and sound municipal management.

### 1.4 SECTION 8 PROGRAMS

This Administrative Plan is applicable to the operation of the HCV and the following HCV targeted programs. For these targeted programs, all policies described in this Administrative Plan are applicable, except under the specific circumstances detailed in the applicable chapter. EOHLC has received approval to apply MTW flexibilities to these programs. EOHLC plans to implement these flexibilities in Fiscal Year 2025.

- [NED – DESIGNATED HOUSING AND ONE-YEAR MAINSTREAM PROGRAM](#)
- [FIVE-YEAR MAINSTREAM HOUSING PROGRAM](#)
- [MAINSTREAM 2018 \(MS2018\)](#)
- [FAMILY UNIFICATION PROGRAM](#)
- [HOUSING OPTIONS PROGRAM](#)
- [TENANT-BASED VOUCHER PROGRAM FOR PERSONS WITH HIV/AIDS](#)
- [RAISING THE NEXT GENERATION](#)
- [VETERANS HOUSING VOUCHER PROGRAM](#)
- [: HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING PROGRAM \(VASH\)](#)
- [COMMUNITY CHOICE INITIATIVE](#)
- [HOLYOKE CONSENT DECREE](#)
- [PROJECT-BASED ASSISTANCE FOR PERSONS LIVING WITH HIV/AIDS](#)
- [FOSTER YOUTH TO INDEPENDENCE INITIATIVE](#)

Non-MTW policies will apply to the Moderate Rehabilitation (Mod Rehab) and Mod Rehab Single Room Occupancy (SRO) programs, as well as portability vouchers administered by EOHLC or the RAAs. MTW flexibilities will not apply to these programs.

### 1.5 THE HOUSING CHOICE VOUCHER (HCV) PROGRAM

#### 1.5.1 Overview and History of the Program

The United States Housing Act of 1937 (“the Act of 1937” or “the 1937 Act”)

The Act of 1937 is responsible for the birth of federal housing program initiatives. The Act of 1937 was intended to provide financial assistance to states and cities for public works projects, slum clearance, and the development of affordable housing developments for low-income residents.

The Housing and Community Development (HCD) Act of 1974

The Housing and Community Development (HCD) Act of 1974 created a new federally assisted housing program – the Section 8 Existing program (also known as the Section 8 Certificate program). The HCD Act represented a significant shift in federal housing strategy from locally owned public housing to privately owned rental housing.

Under the Certificate program, federal housing assistance payments were made directly to private owners of rental housing, where this housing was made available to lower-income families. Eligible families were able to select housing in the private rental market. Assuming that the housing met certain basic physical

standards of quality (“housing quality standards”) and was within certain HUD-established rent limitations (“fair market rents”), the family would be able to receive rental assistance in the housing unit. Family contribution to rent was generally set at 30% of the family’s adjusted income, with the remainder of the rent paid by the program.

Another unique feature of the Certificate program was that the rental assistance remained with the eligible family, if the family chose to move to another privately-owned rental unit that met program requirements (in contrast to the public housing program where the rental assistance remains with the unit, should the family decide to move). Consequently, the Certificate program was characterized as tenant-based assistance, rather than unit-based assistance.

#### The Housing and Community Development (HCD) Act of 1987

The Housing and Community Development (HCD) Act of 1987 authorized a new version of tenant-based assistance – the Section 8 Voucher program. The Voucher program was very similar to the Certificate program in that eligible families were able to select housing in the private rental market and receive assistance in that housing unit.

However, the Voucher program permitted families more options in housing selection. Rental housing still had to meet the basic housing quality standards, but there was no fair market rent limitation on rent. In addition, family contribution to rent was not set at a limit of 30% of adjusted income. Consequently, depending on the actual rental cost of the unit selected, a family might pay more or less than 30% of their adjusted income for rent.

#### “Conforming” Rules

From 1987 through 1999, public housing agencies managed both the Certificate and Voucher tenant-based assistance programs, with separate rules and requirements for each. From 1994 through 1998, HUD published a series of new rules, known as “conforming” rules, to more closely combine and align the two similar housing programs, to the extent permitted by the law.

#### Public Housing Reform Act/QHWRA

In 1998, the Quality Housing and Work Responsibility Act (QHWRA) – also known as the Public Housing Reform Act – was signed into law. QHWRA eliminated all statutory differences between the Certificate and Voucher tenant-based programs and required that the two programs be merged into a single tenant-based assistance program, now known as the Housing Choice Voucher (HCV) program.

The HCV program was modeled closely on the pre-merger Voucher program. However, unlike the pre-merger Voucher program, the HCV program requires an assisted family to pay at least 30% of adjusted income for rent.

The transition of assistance from the Certificate and Voucher programs to the new HCV program began in October 1999. By October 2001, all families receiving tenant-based assistance were converted to the HCV program.

### **1.5.2 HCV Program Basics**

The tenant-based HCV program offers mobility to eligible families by allowing them to search for suitable housing anywhere in EOHLC’s jurisdiction. Some families may also be eligible to move to other PHAs’ jurisdictions under portability.

When a family is determined to be eligible for the program and funding is available, the RAA (on behalf of EOHLC) issues the family a housing voucher. When the family finds a suitable housing unit and funding is available, the RAA will enter into a housing assistance payment contract with the owner and the family will enter into a lease with the owner. Each party makes their respective payment to the owner so that the owner receives full rent.

Although the RAA determines if the family is eligible for the program, the owner has the responsibility of determining if the family is a suitable renter. The RAA will continue to make payments to the owner as long as the family is eligible, and the housing unit continues to qualify under the program.

#### What does HUD do?

- HUD has the following major responsibilities:
- Develop regulations, requirements, handbooks, notices and other guidance to implement HCV housing program legislation passed by Congress.
- Allocate HCV program funds to PHAs.
- Provide technical assistance to PHAs on interpreting and applying HCV program requirements.
- Monitor PHA compliance with HCV program requirements and PHA performance in program administration.

#### What does the PHA do?

The PHA – EOHLC and its' RAAs – administers the HCV program under contract with HUD and has the following major responsibilities:

- Establish local policies.
- Review applications from interested applicant families to determine whether applicants are eligible for the program.
- Maintain waiting list and select and screen families for admission.
- Issue vouchers to eligible families and, if necessary, assist the family in finding a place to live.
- Conduct outreach to owners, with special attention to owners outside areas of poverty or minority concentration.
- Approve the rental unit (including assuring compliance with housing quality standards and rent reasonableness), the owner, and the tenancy.
- Make housing assistance payments to the owner in a timely manner.
- Ensure that families and their rental units continue to qualify under the program.
- Ensure that owners and families comply with program rules.
- Provide families and owners with prompt, professional service.
- Comply with all fair housing and equal opportunity requirements, HUD regulations and requirements, the Annual Contributions Contract, HUD-approved applications for funding, the PHA's Administrative Plan, and other applicable federal, state, and local laws.

#### What does the owner do?

The owner has the following major responsibilities:

- Screen families who apply for tenancy, to determine if they will be good renters.
- The RAA can provide some information to the owner, but the primary responsibility for tenant screening rests with the owner.
- The owner should consider family background factors such as:
- Rent and bill-paying history.
- History of caring for property.
- Respecting the rights of others to peaceful enjoyment of the property.

- Compliance with essential conditions of tenancy.
- Whether the family is engaging in drug-related criminal activity or other criminal activity that might threaten others.
- Comply with the terms of the Housing Assistance Payments contract, executed with the RAA.
- Comply with all applicable fair housing laws and discriminate against no one.
- Maintain the housing unit by making necessary repairs in a timely manner.
- Collect rent due from the assisted family and otherwise comply with and enforce provisions of the dwelling lease.

What does the family do?

The family has the following responsibilities:

- Provide the RAA with complete and accurate information, determined by EOHLC to be necessary for administration of the program.
- Make their best and most timely efforts to find a place to live that is suitable for them and that qualifies for the program.
- Attend all appointments scheduled by EOHLC or the RAA.
- Allow EOHLC or the RAA to inspect the unit at reasonable times and after reasonable notice.
- Take responsibility for care of the housing unit, including any violations of housing quality standards caused by the family.
- Comply with the terms of the lease with the owner.
- Comply with the family obligations of the voucher.
- Not commit serious or repeated violations of the lease.
- Not engage in drug-related or violent criminal activity.
- Notify the RAA and the owner before moving or terminating the lease.
- Use the assisted unit only for residence and as the sole residence of the family. Not sublet the unit, assign the lease, or have any interest in the unit.
- Promptly notify the RAA of any changes in family composition.
- Not commit fraud, bribery, or any other corrupt or criminal act in connection with any housing programs.

**1.5.3 Applicable Authority**

This Administrative Plan is governed by the following authorities:

- EOHLC’s Moving to Work Demonstration Agreement between EOHLC and the U.S. Department of Housing and Urban Development.
- EOHLC’s MTW Annual Plan.

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead-Based Paint
- 24 CFR Part 100: The Fair Housing Act

- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 983: Section 8 Project-Based Voucher (PBV) Program

Where an MTW policy in this plan conflicts with a cited regulation, the MTW policy shall supersede the regulation.

## **1.6 STATUTORY AND REGULATORY WAIVERS DURING EMERGENCIES**

During periods of declared states of emergency, as designated by the Governor of the Commonwealth or their designee, EOHLC may adopt HUD-published statutory and/or regulatory waivers to respond to the emergency. Where such waivers are adopted (and when updated), EOHLC will retain documentation to identify the statute or regulation waived, as well as the alternative requirement and the period start and end dates for such waivers. EOHLC will make these waivers and updates available to the public via its website and will follow all applicable tenant notification guidance from HUD regarding changes to policies or rules.

Where permissible under state and federal law, EOHLC also may adopt waivers and publish guidance in response to Commonwealth-specific emergencies or exigent circumstances as designated by the Governor or their designee.

## **1.7 HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT (HOTMA)**

The Housing Opportunity Through Modernization Act (HOTMA) was signed into law on July 29, 2016 (Public Law 114–201, 130 Stat. 782). Title I of the HOTMA statute consists of 14 sections of law that affect the Public Housing and Section 8 rental assistance programs.

HUD published guidelines for sections 102, 103 (re: over-income public housing) and 104 of HOTMA in the Federal Register on February 14, 2023. On September 29, 2023, HUD issued notice PIH 2023-27, which provided guidance on implementing the expansive income and assets changes set by sections 102 and 104; this was then revised and reissued on February 2, 2024. Subsequently, on July 3, 2024, HUD advised PHAs to delay enacting these sections pending updates to the timeline of the Housing Information Portal (HIP) release.

On May 7, 2024, HUD issued the Final Rule in the Federal Register (89 FR 38224) pertaining to HOTMA Voucher sections 101, 105, 106 and 112 which was largely made effective on June 6, 2024. However, some provisions received later compliance dates staggered periodically through the following year.

EOHLC has updated this Administrative Plan to comply with all federally mandated regulations. Throughout the plan, EOHLC will indicate which sections have been pushed out or placed on hold due to the HUD-recommended deferral. Please continue to follow currently established practices on these items. When HUD releases definitive guidance pertaining to HOTMA and the other related regulatory requirements, EOHLC will publish a revised Administrative Plan and inform all program participants of the date at which the HOTMA policies will become effective.

## **1.8 THE HCV ADMINISTRATIVE PLAN**

### **1.8.1 Overview and Purpose of the Plan**

The Administrative Plan is required by HUD. It is a supporting document for EOHLC’s MTW Plan and is available for public review. All issues related to the administration of the HCV program not addressed in this document are governed by federal regulations, HUD handbooks and guidebooks, notices, and other applicable law. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

EOHLC and the RAAs are responsible for complying with all changes in HUD regulations pertaining to the HCV program. Except in the case of approved MTW policies, if such changes conflict with this plan, HUD regulations will have precedence.

EOHLC’s Administrative Plan includes regulatory citations from the Code of Federal Regulations (CFR). Where regulatory citations do not specify business or calendar days, EOHLC will interpret these citations as calendar days.

### 1.8.2 Mandatory vs. Discretionary Policy

HUD makes a distinction between mandatory and discretionary policy. The difference is outlined below:

- Mandatory policies: Policies driven by legislation, regulations, current handbooks, notices, and legal opinions.
- Discretionary policies: Policies which are based on optional, non-binding guidance, including guidebooks, notices that have expired and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory policies and to make clear the optional policies the PHA has adopted. EOHLC’s Administrative Plan is the foundation of those policies and procedures. HUD’s directions require EOHLC to make policy choices that provide guidance to staff and consistency to program applicants and participants.


### 1.8.3 Identifying MTW Policy Additions and Modification

As an MTW agency, EOHLC is provided with the flexibility to waive certain provisions of the US Housing Act of 1937 and related federal regulations, and to design and test approaches for providing housing assistance that address one or more of the following statutory objectives:

- Reduce cost and achieve greater cost effectiveness in federal expenditures.
- Provide incentives to families with children whose heads of household are either working, seeking work, or participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.
- Increase housing choices for low-income families.

Details about EOHLC’s specific MTW activities, including its MTW Annual Plans and program details, can be found at <https://www.mass.gov/service-details/moving-to-work-program-mtw> and [MTW Activity Plan](#).

### 1.8.4 HUD Inflationary Adjustments

 As of the publication date, the following HOTMA regulations are temporarily suspended pending guidance from HUD. Please do not implement until further instructions are provided by EOHLC.

HUD will annually publish eight recalculated inflation-adjusted items pertaining to the non-MTW HCVP in the table below to HUD’s Policy Development and Research website, [HUD User](#). The revised amounts will be effective on January 1 of the following year. Where not superseded by EOHLC’s MTW policies, the RAAs must use these adjusted levels posted to HUD User for income and asset calculations.

Adjusted Item	Regulatory Reference	Amount (effective 1/1/2025)	Amount (effective 1/1/2026)
Eligibility restriction on net family assets	24 CFR § 5.618(a)(1)(i)	\$103,200	\$105,574
Threshold above which imputed returns must be calculated on net family assets	24 CFR § 5.609(a)(2) and (b)(1)	\$51,600	\$52,787
Threshold above which the total value of non-necessary personal property is included in net family assets	24 CFR § 5.603(b) Net family assets	\$51,600	\$52,787
The amount of net assets for which the PHA/MFH Owner may accept self-certification by the family	24 CFR § 5.618(b)(1) 24 CFR § 5.659(e) 24 CFR § 2.203(e)(1) 24 CFR § 3.151(e)(1)	\$51,600	\$52,787

Adjusted Item	Regulatory Reference	Amount (effective 1/1/2025)	Amount (effective 1/1/2026)
	24 CFR § 882.515(a) 24 CFR § 882.808(i)(1) 24 CFR § 960.259(c)(2) 24 CFR § 982.516(a)(3)		
Mandatory deduction for elderly and disabled families	24 CFR § 5.611(a)(2)	\$525	\$550
Mandatory deduction for a dependent	24 CFR § 5.611(a)(1)	\$480	\$500
Income exclusion for earned income of dependent full-time students	24 CFR § 5.609(b)(14)	\$480	\$500
<del>Income exclusion for adoption assistance payments</del>	24 CFR § 5.609(b)(15)	\$480	\$500
Passbook Savings Rate	24 CFR 5.609(a)	0.45%	0.40%

When calculating asset amounts, HUD rounds to the nearest dollar. When calculating mandatory deductions and income exclusions, HUD rounds to the next lowest multiple of \$25.

### 1.8.5 Updating and Revising the Plan

EOHLC will review and update the plan to reflect changes in regulations, MTW policies, EOHLC operations, or when needed to ensure staff consistency in operation. RAAs will be notified of additions or changes to this Administrative Plan and EOHLC policies and procedures by email or other suitable communication.

## 1.9 ADMINISTRATIVE FEE RESERVE

[24 CFR 982.155]

EOHLC conforms to the requirements of the MTW Agreement with respect to maintenance of reserves.

## 1.10 DETERMINATION OF INSUFFICIENT FUNDING

The HCV regulations allow EOHLC or the RAA to deny families permission to move and to terminate Housing Assistance Payments (HAP) contracts if funding under the consolidated ACC is insufficient to support continued assistance [24 CFR 982.354(e)(1) and 982.454; see also [Notice PIH 2019-08](#)]. Insufficient funding may also impact EOHLC's or the RAA's ability to issue vouchers to families on the waiting list. This part discusses the methodology EOHLC will use to determine whether or not EOHLC has sufficient funding to issue vouchers, approve moves, and to continue subsidizing all families currently under a HAP contract. EOHLC will determine whether there is adequate funding to issue vouchers using the HUD methodology for claiming and documenting insufficient funds.

## 1.11 MANAGEMENT ASSESSMENT (SEMAP)

As an MTW agency, EOHLC has elected not to participate in SEMAP, effective June 19, 2008.

## 1.12 RECORDKEEPING

EOHLC and the RAAs must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, EOHLC and the RAAs must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

### 1.12.1 Record Retention

[24 CFR 982.158]

Leasing Records

During the full term of each assisted lease, including any extensions, and for at least three years thereafter, the RAA must keep:

- A copy of the executed lease.
- The HAP contract.
- Records to document the basis for the RAA's determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract).
- Other documents supporting the approval of the unit or termination of the lease as required by the filing protocol.
- Those records may be purged after three years following termination of the subject lease.

#### Participant Administrative Actions

In addition, the RAA must keep the following records for at least three years from the effective date of action (and may also be purged thereafter):

- Required reexamination reports, including those pursuant to a move to a new unit.
- Unit inspection reports.
- Lead-based paint records as required by 24 CFR 35, Subpart B.
- Accounts and other records supporting contract rent, tenant rent share or payment, and budget and financial statements for the program.
- Termination of family and supporting documentation.
- Other records specified by HUD.

#### Records for Length of Participation

Records that provide racial, ethnic, gender, and disability status data on program participants must be kept for at least three years after the end of participation by the family.

#### Applicant Records

Applicant records must be kept for three years after the date the applicant was notified that they were not eligible, or three years after the conclusion of any lawsuit, whichever is later. This includes:

- An application or wait list screen shot from each ineligible family and the notice (or screen shot, showing date and reason for ineligibility) that the applicant is not eligible.
- Records that provide income, racial, ethnic, gender, and disability status data on program applicants.

The application from the family (or the screenshot from the waiting list when and if the application is not available) shall be retained for at least three years after the family's end of participation. When and if EOHLC moves to an online application, the RAA will retain the electronic application file in accordance with record retention requirements.

#### EIV/IVT Income Reports and Records

EIV/IVT income and other reports from terminated client files shall be destroyed three years after the end of participation. Such EIV/IVT records for active participants must be retained for at least three years (and then no longer than three years after the family's end of participation).

#### Master Family Documents

All master family documents (including but not limited to intake materials, vouchers, change in family composition documents, CORI Acknowledgment Form, reasonable accommodation materials) shall be retained for at least three years following the family's end of participation.

## Citizenship Status

If an informal hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see [Retention of Documents](#).

## PBV Project Records

For each PBV project, EOHLC or the RAA must maintain the following records throughout the PBV HAP contract term and for three years thereafter:

- Records to document the basis for PHA selection of the proposal, if selection is competitive, or project, if selection is noncompetitive, including records of the PHA's site selection determination (see [24 CFR 983.55](#)) and records to document the completion of the review of the selection process in the case of PHA-owned units and copies of the written notice of proposal selection and response of the appropriate party.
- The analysis of impact (see [24 CFR 983.58\(b\)](#)), if applicable.
- The subsidy layering determination, if applicable.
- The environmental review record, if applicable.
- The Agreement to enter into HAP (AHAP) contract, if applicable.
- Evidence of completion (see [24 CFR 983.155](#)), if applicable.
- The HAP contract and any rider and/or amendments, including amendments to extend the term of the contract.
- Records to document the basis for PHA determination and redetermination of rent to owner.
- Records to document HUD approval of the independent entity or entities, in the case of PHA-owned units.
- Records of the accessibility features of the project and each contract unit.
- Other records such as HUD may require.

### **1.12.2 Records Management**

All applicant and participant information will be kept in a secure location and access will be limited to authorized EOHLC or RAA staff.

EOHLC and the RAAs shall retain hard copies and/or digital versions of files, as long as at least one version of every file remains accessible (subject to the following record retention policies), e.g. for audits/file reviews, paper and digital records need not both be retained.

EOHLC's and the RAA's staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

#### **1.12.2.1 Privacy Act Requirements**

[24 CFR 5.212 and HUD Form-9886]

The collection, maintenance, use, and dissemination of Social Security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of federal, state, and local law.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information, or an EOHLC version thereof. These forms incorporate the Federal Privacy Act Statement and describe how the information collected using the forms may be used, and under what conditions HUD or EOHLC or the RAA may release the information collected. Once an applicant or participant has signed and submitted the most recent consent form, they do not need to sign and submit subsequent consent forms at the next interim or regularly scheduled income examination except under the following circumstances:

- When any person 18 years or older becomes a family member
- When a member of the family turns 18 years of age
- As required by HUD or the EOHLC in administrative instructions

### **1.12.3 Upfront Income Verification (UIV) Records**

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV) System are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD-issued document, [Enterprise Income Verification \(EIV\) System, Security Procedures for Upfront Income Verification](#) data.

### **1.12.4 Criminal Records**

The RAA may only disclose the criminal conviction records which the RAA receives from a law enforcement agency to officers or employees of EOHLC or the RAA, or to authorized representatives of EOHLC or the RAA who have a job-related need to have access to the information [24 CFR 5.903(e)].

The RAAs must ensure that any criminal record received from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to RAA action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)]. The RAA will retain confirmation (i.e. the CORI/SORI form) that the screening was performed, including the type of screening and the date performed.

The RAAs must also ensure that any sex offender registration information received from a state or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to EOHLC or RAA action without institution of a challenge or final disposition of any such litigation. This requirement does not apply to information that is public information or is obtained by EOHLC or the RAA other than under 24 CFR 5.905. The RAA will retain confirmation (i.e. the CORI/SORI form) that the screening was performed, including the type of screening and the date performed.

#### **1.12.4.1 Medical/Disability Records**

If the RAA receives a verification document that provides medical information, the RAA should place this information in a confidential envelope in the tenant file.

#### **1.12.4.2 Documentation of Domestic Violence, Dating Violence, Sexual Assault, Stalking or Trafficking**

For requirements and EOHLC policies related to management of documentation obtained from survivors of domestic violence, dating violence, sexual assault, stalking or sex trafficking, see [Violence Against Women Reauthorization Acts of 2005, 2013, and 2022 \(VAWA\)](#).

# CHAPTER 2 : FAIR HOUSING, EQUAL OPPORTUNITY AND VAWA

## 2.1 INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to affirmatively further fair housing pertains to all areas of the PHA's housing choice voucher (HCV) operations.

## 2.2 NONDISCRIMINATION

[24 CFR 5.105(a) & 982.53]

EOHLC and the RAAs will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including but not limited to:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- Violence Against Women Reauthorization Act of 2005, 2013, and 2022 (VAWA)
- Massachusetts General Laws Chapter 151B, section 4
- The Equal Access to Housing in HUD Programs regardless of Sexual Orientation or Gender Identity Final Rule, published in the Federal Register February 3, 2012
- Any other applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted

Federal law and rules prohibit discrimination in housing on the basis of race, color, national origin, religion, sex, sexual orientation, familial status, gender identity, marital status, and disability. Familial status includes families with children under the age of 18 in the household, pregnant women, and people securing custody of children under the age of 18.

In addition, under the lead paint laws, Massachusetts prohibits discrimination against a family with a child under the age of six with regard to a dwelling that contains or may contain lead paint. Massachusetts further prohibits discrimination in housing on the basis of receipt of public assistance (including Section 8), gender expression, military or veteran status, age, and ancestry.

The RAAs will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the housing choice voucher program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program

- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or participant toward or away from a particular area based any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

The RAAs will consider the needs of people with disabilities, with limited English proficiency, or subject to VAWA coverage and make accommodations where applicable.

#### Providing Information to Families and Owners

Fair housing rights and responsibilities are explained to applicants at the briefing session, and all applicants receive fair housing documentation, including information on how to file a discrimination complaint, at the briefing (see [Oral Briefing](#) and [Briefing Packet](#)). The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract (see also [Non-Discrimination](#)).

#### Discrimination Complaints

Applicants or participants who believe that they have been subject to unlawful discrimination may notify EOHLC or the RAA either orally or in writing. EOHLC or the RAA will attempt to remedy discrimination complaints made against them.

EOHLC or the RAA may refer the complainant to the appropriate fair housing center. If necessary, EOHLC or the RAA will provide them with information on how to complete and submit the housing discrimination complaint form to HUD’s Office of Fair Housing and Equal Opportunity (FHEO) or the Massachusetts Commission Against Discrimination (MCAD).

### **2.3 POLICIES RELATED TO PERSONS WITH DISABILITIES**

The RAAs must ensure that persons with disabilities have full access to EOHLC’s programs and services, including any practices that are conducted remotely. A person with a disability may require reasonable accommodations in order to have equal access to the HCV program, and refusal to allow a reasonable accommodation is prohibited by the Fair Housing Act. The types of reasonable accommodations EOHLC or the RAA can provide include changes, exceptions, or adjustments to a rule, policy, practice, or service. Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an “undue financial and administrative burden” for EOHLC or the RAA or result in a “fundamental alteration” in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider’s operations.

The responsibility to ensure full access begins with the first inquiry of an interested family and continues through every programmatic area of the HCV program.

#### Types of Reasonable Accommodations

When needed, EOHLC or the RAA must modify normal procedures to accommodate the needs of a person with disabilities. Examples of reasonable accommodations include but are not limited to:

EOHLC Responsibility	RAA Responsibility
Approving the use of higher payment standards (see <a href="#">Payment Standard Exceptions &amp; Reasonable Accommodations</a> ).	Providing time extensions for locating a unit, when necessary, due to lack of availability of accessible units or special challenges of the family in seeking a unit.
Approving the use of a higher utility allowance. (see <a href="#">Reasonable Accommodation – Utility Allowances</a> )	Conducting home visits.
	Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with EOHLC’s RAA’s staff.
	Displaying posters and other housing information in locations throughout EOHLC’s RAA’s office in such a manner as to be easily readable from a wheelchair.
	Allow for an extension of the hardship waiver.
	Allow for an extension of the option to cure period when determining compliance with asset/property limitations.

### 2.3.1 Request for Accommodation

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, EOHLC or the RAA will treat the information as a request for a reasonable accommodation, even if no formal request is made. The applicant or participant does not need to say the words “reasonable accommodation.”

The family must explain what type of accommodation is needed to provide the person with the disability full access to EOHLC’s programs and services.

If the need for the accommodation is not readily apparent or known to EOHLC or the RAA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual’s disability.

### 2.3.2 Verification of Disability

Before providing an accommodation, EOHLC or the RAA must determine that the person meets the civil rights definition of a person with a disability or “individual with handicaps” (see 24 CFR 8.3 and 24 CFR 100.201), and that there is an identifiable relationship, or nexus, between the requested accommodation and the person’s disability.

If a person’s disability is obvious or otherwise known to EOHLC or the RAA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required. If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to EOHLC or the RAA, EOHLC or the RAA will verify that the person meets the definition of a person with a disability, and that there is a relationship between the requested accommodation and the disability.

Verification must be obtained from an individual identified by the family who is competent to make the determination, such as a doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability.

### **2.3.3 Approval/Denial of a Requested Accommodation**

EOHLC or the RAA must approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the PHA, or fundamentally alter the nature of EOHLC's or the RAA's HCV operations (including the obligation to comply with HUD requirements and regulations).

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the cost of the requested accommodation with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, EOHLC or the RAA may enter into discussion and negotiation with the family, request more information from the family, or may ask the family to sign a consent form so that EOHLC or the RAA may verify the need for the requested accommodation.

After a request for an accommodation is presented together with all requested supportive documentation, and after an interactive process, EOHLC or the RAA will respond, in writing, within 15 business days.

### **2.3.4 Program Accessibility for Persons with Hearing or Vision Disabilities**

HUD regulations require EOHLC and the RAAs to ensure that persons with disabilities related to hearing and vision and other communication-related disabilities have reasonable access to EOHLC's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the RAA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication will be available.

To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. These items may not be immediately available and reasonable advance notice must be given. When visual aids are used in public meetings or presentations, or in meetings with RAA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third-party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

### **2.3.5 Physical Accessibility**

EOHLC and the RAAs must comply with a variety of regulations pertaining to physical accessibility, including the following:

- Section 504 of the Rehabilitation Act of 1973, as amended
- The Americans with Disabilities Act of 1990, as amended
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

- Massachusetts General Laws Chapter 22 and Section 13A and Massachusetts Architectural Access Board regulations (521 CMR)
- Massachusetts General Laws Chapter 151B

EOHLC’s policies concerning physical accessibility must be readily available to applicants and participants. They can be found in two key documents:

- This plan describes the key policies that govern EOHLC’s and the RAA’s responsibilities with regard to physical accessibility.
- Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to non-discrimination and accessibility in federally funded housing programs.

The design, construction, or alteration of EOHLC’s and the RAA’s facilities must conform to the Uniform Federal Accessibility Standards (UFAS) and other applicable regulations and standards. Newly constructed facilities must be designed to be readily accessible to and usable by persons with disabilities; alterations must also comply with applicable federal and state requirements.

When issuing a voucher to a family that includes an individual with disabilities, the RAA will include a current list of available accessible units known to the RAA and will assist the family in locating an available accessible unit, if necessary.

In general, owners must permit the family to make reasonable modifications to the unit.

Owners must also comply with Massachusetts law. Pursuant to Massachusetts General Laws Chapter 151B, in the case of publicly assisted housing, multiple dwelling housing consisting of ten or more units, or contiguously located housing consisting of ten or more units (see [M.G.L. c. 151B, § 1 for definitions](#)), reasonable modification of existing premises occupied or to be occupied by a person with a disability shall be at the expense of the owner or other person having the right of ownership if such modification is necessary to afford the person with a disability full enjoyment of the premises. A modification which is paid for by the owner or other person having the right of ownership is not considered to be reasonable if it would impose an undue hardship upon the owner or other person having the right of ownership and shall therefore not be required. In the case of other housing where modifications are not required to be at the expense of the owner or other person having the right of ownership, and where such housing is rental and the modification to be paid for by the handicapped person will materially alter the marketability of the housing, the landlord may, where it is reasonable to do so, condition permission for a modification on the renter agreeing to restore, or pay for the cost of restoring, the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted. [24 CFR 100.203; M.G.L. c. 151B, § 4(7A)].

See also 24 CFR Part 8 for obligations of recipients of federal financial assistance pursuant to the Rehabilitation Act and 28 CFR Part 35 for obligations of public housing authorities pursuant to the Americans with Disabilities Act.

### **2.3.6 Denial or Termination of Assistance**

EOHLC or the RAA’s decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552(c)(2)(iv)].

When applicants are denied assistance, the notice of denial must inform them of the RAA’s informal review process and their right to request a hearing. In addition, the notice must inform applicants of the right of persons with disabilities to request reasonable accommodations to participate in the informal hearing process.

When a participant family’s assistance is terminated, the notice of termination must inform them of the RAA’s informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, EOHLIC and the RAA will consider whether there are any mitigating circumstances which can explain and overcome the problem that led to the RAA's decision to deny or terminate assistance.

## **2.4 IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)**

Language for persons with limited English proficiency (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin.

The RAAs will take affirmative steps, including in any practices that are conducted remotely, to communicate with people who need services or information in a language other than English.

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English. For the purposes of this Administrative Plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by LEP persons, EOHLIC and the RAAs will balance the following four factors:

- The number or proportion of LEP persons eligible to be served or likely to be encountered by the Housing Choice Voucher program.
- The frequency with which LEP persons come into contact with the program.
- The nature and importance of the program, activity, or service provided by the program to people's lives.
- The resources available to EOHLIC and the RAAs and their costs.

Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on EOHLIC and the RAAs.

EOHLIC has developed a written Language Access Plan consistent with requirements for providing meaningful access by LEP persons to EOHLIC's Housing Choice Voucher program and services.

EOHLIC's [Language Access Plan](#), effective July 2009 and revised in 2017, is available on its website.

### **2.4.1 Oral Interpretation**

In a courtroom, a hearing, or situations in which health, safety, or access to important benefits and services are at stake, EOHLIC or the RAA will generally offer, or ensure that the family is offered through other sources, competent services free of charge to the LEP person. Individuals may refer to EOHLIC's and the RAA's individual Language Access Plans for specific information regarding interpreter services.

### **2.4.2 Written Translation**

EOHLIC and the RAAs will provide written translations of the vital documents consistent with their LEP policies. In addition, the [HUD website](#) contains translations of some of its forms into a number of languages. Translation of other documents, if needed, can be provided orally, upon request.

## **2.5 VIOLENCE AGAINST WOMEN REAUTHORIZATION ACTS OF 2005, 2013, AND 2022 (VAWA)**

### **2.5.1 Overview**

The Violence Against Women Act of 2013 (VAWA) provided special protections for survivors of domestic violence, dating violence, sexual assault, stalking and sex trafficking who are applying for or receiving assistance under the HCV program. VAWA 2022 includes new implementation and compliance requirements as well as additional definitions that expand the scope of the regulations. Protections under VAWA are not limited to women but cover survivors of domestic violence, dating violence, sexual assault, stalking, and sex trafficking, regardless of sex, gender identity, or sexual orientation. (See also protections under state law at [M.G.L. c. 186, § 23-29.](#))

### **2.5.2 Definitions**

The definitions pertinent to VAWA and this section are found at [24 CFR Part 5 Subpart L.](#)

### **2.5.3 VAWA Non-Citizen Self-Petitioners**

The RAA will review non-citizen applicant or resident requests for admission or continued assistance as a result of being a self-petitioner under the Violence Against Women Reauthorization Act of 2022. A VAWA Self-Petitioner is a non-citizen applicant or tenant who claims to be a survivor of “battery or extreme cruelty,” which includes domestic violence, dating violence, sexual assault, stalking, and sex trafficking perpetrated by their spouse or parent, who is a citizen or lawful permanent resident.

A VAWA Self-Petitioner may indicate that they are a survivor of “battery or extreme cruelty” and that they have “satisfactory immigration status,” though the RAA has not yet verified their satisfactory immigration status. Satisfactory immigration status means an immigration status which does not make the individual ineligible for financial assistance. A VAWA Self-Petitioner may submit an I-360 VAWA Self Petition, an I-130 Family-Based VISA Petition, or a USCIS Form 1-797 to demonstrate a claim of satisfactory immigration status. When an I-360 VAWA Self Petition, an I-130 Family-Based VISA Petition, or a USCIS Form 1-797 is submitted, the RAA may not request any additional information from the VAWA Self-Petitioner other than what is required to complete the verification. When a VAWA Self-Petitioner uses the Family-Based VISA petition to satisfy immigration status, upon verification of the Family-Based VISA petition, the RAA will require the petitioner to submit evidence of battery or extreme cruelty.

EOHLC or the RAA may provide assistance to a non-citizen, applicant VAWA self-petitioner while the RAA verifies their eligible immigration status. Additionally, the RAA may provide continued assistance to the non-citizen participant VAWA petitioner during the time that the RAA verifies their eligible immigration status. Housing assistance and all other VAWA protections will be granted to the VAWA Self-Petitioner applicant or tenant throughout the verification process until a final determination of lawful permanent residency can be made.

If EOHLC or the RAA later determines that the VAWA Self-Petitioner does not have eligible immigration status, the RAA will notify the individual and take action to terminate assistance. The RAA will also inform the individual of local agencies that provide domestic violence and immigration support services.

### **2.5.4 Prohibition Against Denial of Assistance to Survivors of Domestic Violence, Dating Violence, Sexual Assault, Stalking, and Sex Trafficking**

Applicants who otherwise qualify for assistance or admission will not be denied admission on the basis that the applicant is or has been a survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking. VAWA does not limit the RAA’s authority to deny assistance to an individual or household that is not otherwise qualified or eligible for assistance.

### **2.5.5 Prohibition Against Termination of Assistance Related to Survivors of Domestic Violence, Dating Violence, Sexual Assault, Stalking, and Sex Trafficking**

Criminal activity directly relating to domestic violence, dating violence, sexual assault, stalking, or sex trafficking engaged in by a member of a tenant’s family or any guest or other person under the tenant’s control will not be the basis for termination of assistance, tenancy, or occupancy rights if the tenant or an

immediate member of the tenant's household is the survivor or threatened survivor of that domestic violence, dating violence, sexual assault, stalking, or sex trafficking.

Incidents of actual or threatened domestic violence, dating violence, sexual assault, stalking, or sex trafficking will not be construed either as serious or repeated violations of the lease by the survivor of such violence or as good cause for terminating the tenancy or occupancy rights of the survivor of such violence.

Notwithstanding the foregoing, the RAA may exercise its authority to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against household members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the survivor of such violence who is also a tenant or lawful occupant.

The RAA may exercise its discretion to remove or terminate assistance to tenants or lawful occupants who perpetrate such violence against survivors or affiliated individuals.

Further, the RAA retains its authority to terminate the tenancy of any tenant if the RAA concludes that there is an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant is not evicted or terminated from assistance. VAWA does not limit EOHLC's or the RAA's authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include [24 CFR 5.2003]:

- Duration of the risk
- Nature and severity of the potential harm
- Likelihood that the potential harm will occur
- The length of time before the potential harm would occur
- Whether the threat is toward an employee or tenant other than the survivor of domestic violence, dating violence, sexual assault, or stalking
- Whether the threat is a physical danger beyond a speculative threat
- Whether the threat is likely to happen within a short period of time
- Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the survivor relocate to a confidential location

Even when a survivor poses an actual and imminent threat, however, HUD regulations authorize the RAA to terminate the survivor's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat" [24 CFR 5.2005(d)(4)].

If the tenant wishes to contest the RAA's determination that he or she is an actual and imminent threat to other tenants or employees, the tenant may do so as part of the informal hearing.

The RAA may terminate assistance for any violation of the program not premised on the kinds of violence described above, as long as the RAA refrains from subjecting a survivor of domestic violence, dating violence, sexual assault, or stalking to a more demanding standard than applied to other tenants facing lease termination. VAWA does not limit the RAA's authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance.

Notwithstanding the protections provided to tenants under VAWA, EOHLC and the RAA will:

- Comply with court orders that address the rights of access to or control of property, including civil protection orders issued to protect survivors of domestic violence, dating violence, sexual assault, and stalking.

- Comply with court orders that address the distribution or possession of property among members of a household.

In the event the RAA terminates assistance to an individual, the RAA will refrain from penalizing the survivor of such criminal activity who is a tenant or lawful occupant. The RAA will also provide any remaining family members an opportunity to establish eligibility for continued occupancy, if the individual terminated was the sole tenant eligible for housing assistance. If a tenant is unable to establish eligibility, the RAA will provide tenant a reasonable time, not to exceed 60 days, to find new housing.

#### Confidentiality Requirements – VAWA

EOHLC or the RAA will not disclose or release or enter into any shared database any personally identifying information or individual information collected in connection with VAWA protections requested or denied except to the extent that the disclosure is:

- Requested or consented to by the individual in writing.
- Required for use in an eviction proceeding.
- Otherwise required by applicable law.

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, EOHLC or the RAA will make reasonable attempts to provide notice to survivors affected by the disclosure of information and will take steps necessary to protect the privacy and safety of the persons affected by the release of the information.

At the time the applicant is denied, EOHLC or the RAA may share the following:

- Non-personally identifying data in the aggregate regarding services to their tenants and non-personally identifying demographic information in order to comply with federal or state reporting, evaluation, or data collection requirements.
- Court-generated information and law enforcement-generated information containing insecure, governmental registries for protection order enforcement purposes.
- Law enforcement-generated and prosecution-generated information necessary for law enforcement and prosecution purposes.

The RAA will provide notice to applicants and tenants in assisted housing of protections provided under VAWA, in multiple languages, when necessary, at the following junctures:

- At the time the applicant is denied.
- At the time the individual is admitted to a unit in an assisting housing program.
- With any notification of eviction or notification of termination of assistance.

EOHLC and the RAAs acknowledge that a survivor of domestic violence, dating violence, stalking, sexual assault, or sex trafficking may have an unfavorable history (i.e., a poor credit history, non-payment of rent as an assisted housing tenant, a record of previous damage to an apartment/public housing unit, a prior/current conviction) that would warrant denial or termination under EOHLC's policies. Therefore, if the RAA makes a determination to deny admission to an applicant or to terminate assistance to a resident, the RAA will include in its notice of denial/termination:

- A statement of protections provided by VAWA.
- A description of the EOHLC confidentiality requirements.
- A request that an applicant/head of household wishing to claim this protection submit to the RAA documentation meeting the specifications outlined in this plan or a request for an informal hearing, whichever is applicable.

The RAA will provide VAWA information to owners which will consist of the VAWA notice provided to applicants and participating households and the form HUD-5382.

### **2.5.6 Survivor Documentation**

The RAA will require that an applicant claiming that the cause of an unfavorable history is that a member of the applicant family is or has been a survivor of domestic violence, dating violence, sexual assault, or stalking provide documentation of such claim, including:

- Demonstrating the connection between the abuse and the unfavorable history.
- Naming the perpetrator of the abuse if it is safe to provide the name and if it is known to the survivor.

When a family is facing assistance termination because of the actions of a tenant, household member, guest, or other person under the tenant's control and a client or affiliated individual of the tenant's household claims that she or he is the survivor of such actions and that the actions are related to domestic violence, dating violence, sexual assault, stalking, or sex trafficking, the RAA will require the individual to submit documentation affirming that claim.

Tenants may provide one of the following to demonstrate that they should receive protections under VAWA:

- A document signed by the survivor and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom the survivor has sought assistance relating to domestic violence, dating violence, sexual assault, stalking, or sex trafficking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, stalking, or sex trafficking occurred and meet the definition of "domestic violence," "dating violence," "sexual assault," "stalking," and "sex trafficking" in HUD's regulations at 24 CFR 5.2003.
- A record of a federal, state, tribal, territorial, or local law enforcement agency, court, or administrative agency.
- At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

### **2.5.7 Time Frame for Submitting Documentation**

If an applicant for, or tenant of, EOHLC housing signifies to the RAA that they are entitled to protections under VAWA, the RAA may request, either verbally or in writing, that the applicant/tenant submit a form of documentation as described above. The applicant/tenant must submit the required certification and supporting documentation to the RAA within 14 business days after the RAA has requested the documentation from the applicant/tenant. The 14-day deadline may be extended at the discretion of the RAA. If the individual does not provide the required certification and supporting documentation within 14 business days of the RAA's request, or within the approved extension period, the RAA may proceed with denial or termination of assistance.

### **2.5.8 Response to Conflicting Certification**

In cases where the RAA receives conflicting certification documents from two or more members of a household, each claiming to be a survivor and naming one or more of the other petitioning household members as the perpetrator, the RAA may determine which is the true survivor by requiring third-party documentation from each member as described in this plan. Third-party documentation to substantiate the occurrence of a VAWA-related offense must be submitted within 30 calendar days. The RAA shall honor any court orders addressing rights of access or control of the property, including civil protection orders issued to protect the survivor or to address the distribution or possession of property among the household.

### **2.5.9 Terminating Tenancy of a Domestic Violence Offender**

This section does not provide protection for **perpetrators** of domestic violence, dating violence, sexual assault, stalking, or sex trafficking. The RAA may terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against household members or others without terminating assistance to, or otherwise penalizing, the survivor of such violence who is also a tenant or lawful occupant. This authority supersedes any local, state, or other federal law to the contrary. However, if the RAA chooses to exercise this authority, the RAA will follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance.

When the actions of a client or other household member result in a decision to terminate the household's assistance and another household member claims that the actions involve criminal acts of physical violence against household members or others, the RAA will request that the survivor submit the required certification and supporting documentation in accordance with the stated timeframe. If the certification and supporting documentation are submitted within the required timeframe, or any approved extension period, the RAA will terminate the offender's assistance. If the survivor does not provide the certification and supporting documentation, as required, the RAA will deny relief for protection under VAWA and proceed with termination of the household's assistance.

If the RAA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the client's tenancy is not terminated, the RAA will bypass the standard process and proceed with the immediate termination of the household's assistance.

### **2.5.10 Transfers and Portability Under VAWA**

The RAA may provide a voucher and allow a household to move in violation of its lease if the household has complied with all other obligations of the voucher program and has moved out of the assisted unit in order to protect the health or safety of an individual who is or has been the survivor of domestic violence, dating violence, stalking, sexual assault, or sex trafficking and who reasonably believes that he or she is imminently threatened by harm from further violence if he or she remains in the assisted unit.

This policy permits the RAA to provide emergency transfers to survivors of domestic violence, dating violence, sexual assault, stalking, or sex trafficking if the tenant expressly requests the transfer and the tenant reasonably believes that he/she is threatened with imminent harm from further violence if the tenant remains in the unit. In the case of a tenant who is the survivor of sexual assault, an emergency transfer may be provided if the individual reasonably believes there is a threat of imminent harm from further violence if they remain in their unit or if the individual reasonably believes there is a threat of imminent harm from further violence if they remain in their unit or if the sexual assault occurred on the premises during the 90-day period preceding the request for a transfer. See [Family Right to Move \(Opt-Out\) with Tenant-Based Assistance](#).

See [Emergency Transfers Under VAWA](#) for specific guidance on emergency transfer requests for survivors of domestic violence, dating violence, sexual assault, stalking, or sex trafficking.

EOHLC or the RAA will maintain the confidentiality of the tenant's new location in the event the tenant receives an emergency transfer related to VAWA protections.

### **2.5.11 Remedies Available to VAWA Survivors**

Notwithstanding any federal, state, or local law to the contrary, the RAA may remove a household member from the program without regard to whether the household member is a signatory to the lease. This action may be taken in order to evict, remove, terminate occupancy rights, or terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against household members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the survivor of such violence who is a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be affected in accordance with the procedures prescribed by federal, state, or local law for termination of assistance the relevant Section 8 HCV, and Section 8 project-based programs. Tenants

who remain in the household after a lease bifurcation, who have not already established eligibility for housing assistance will be given at least 90 days from the date of the bifurcation of the lease in order to establish eligibility for housing assistance or to find alternative housing.

#### **2.5.12 VAWA Record Retention**

[24 CFR 5.2005(e)(12)]

EOHLC and the RAA will retain a record of all VAWA emergency transfer requests and outcomes for a period not less than three years and will report to HUD on the VAWA requests and outcomes as required.

# CHAPTER 3 : APPLICATIONS, WAITING LIST, AND TENANT SELECTION

## 3.1 INTRODUCTION

When a family wishes to receive Section 8 HCV assistance, the family must submit an application that provides EOHLC or the RAA with the information needed to determine the family's eligibility. HUD requires EOHLC or the RAA to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the RAA must select families from the waiting list in accordance with HUD requirements and EOHLC policies as stated in the Administrative Plan and the annual plan.

EOHLC and the RAAs are required to adopt a clear approach to accepting applications, placing families on the waiting list, selecting families from the waiting list and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or EOHLC to receive preferential treatment. Funding earmarked exclusively for families with particular characteristics may also alter the order in which families are served.

HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that EOHLC and the RAAs affirmatively further fair housing goals in the administration of the program [24 CFR 982.53].

## 3.2 THE APPLICATION PROCESS

### 3.2.1 Applying for Assistance

Any family that wishes to receive HCV assistance must apply for admission to the program. HUD permits EOHLC to determine the format and content of HCV applications, as well as how such applications will be made available to interested families and how applications will be accepted by EOHLC or the RAA.

Depending upon the length of time that applicants may need to wait to receive assistance, the RAA may use a one- or two-step application process.

A one-step process may be used when it is expected that a family will be selected from the waiting list within 60 days of the date of application. At application, the family must provide all of the information necessary to establish family eligibility and level of assistance.

A two-step process will be used when it is expected that a family will not be selected from the waiting list for at least 60 days from the date of application. Under the two-step application process, EOHLC or the RAA initially will require families to complete a pre-application which provides only the information needed to place the family on the waiting list. The family will be required to provide all of the additional information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

Families may obtain paper application forms from the offices of the nearest RAA during normal business hours. Families may also request, by telephone or by mail, that a paper application form be sent to the family via first-class mail. Applications are available for download on [EOHLC's website](#).

Completed applications must be returned to the RAA by mail, submitted in person during normal business hours, or submitted online when available. Applications must be complete in order to be accepted by EOHLC or the RAA for processing. At a minimum, the following information is included on a pre-application:

- Applicant name and address.
- Number of members in household.
- Household income.
- Current housing situation.

- Social Security number.
- Racial and ethnic designation of the head of household.

Incomplete applications will not be accepted. EOHLC and the RAAs are not responsible for material that is illegible or missing as a result of being transmitted by fax or email or lost/delayed through the mail.

If an application is incomplete, the RAA will notify the family in writing of the additional information required if an address has been provided. If the waiting list is closed before return of the completed application, a corrected application will not be accepted unless the applicant can demonstrate mitigating circumstances.

### **3.2.2 Accessibility of the Application Process**

EOHLC and the RAAs must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard application process, including providing accommodations to people with disabilities and taking reasonable steps to ensure meaningful access for persons with limited English proficiency.

### **3.2.3 Placement on the Waiting List**

EOHLC or the RAA must accept applications from families for whom the list is open unless there is good cause for not accepting the application. The RAA will enter completed applications on the waiting list according to the date and time the completed application was received.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list [24 CFR 982.202(c)].

### **3.2.4 Eligible for Placement on the Waiting List**

The RAA will send written notice of placement on the waiting list to all new HCVP applicants whose complete pre-applications have been received.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list. Applicants will be placed on the waiting list according to any preference(s) for which they qualify, and the date and time their complete application is received by the RAA.

The application will be part of the permanent file. Applications may be scanned and kept in an imaging file; however, the original paper application must not be destroyed. Neither EOHLC nor the RAAs will provide applicants with their number on the waiting list. Upon request, EOHLC or the RAA will provide applicants with an estimate of the wait-time based on its average agency turnover.

## **3.3 THE WAITING LIST**

### **3.3.1 Organization of the Waiting List**

[24 CFR 982.204 and 205]

EOHLC's/the RAA's HCV waiting lists must be organized in such a manner to allow EOHLC and the RAAs to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The waiting list must contain the following information for each applicant listed:

- Applicant name
- Family unit size (for PBV only)
- Date and time of application
- Household income

- Qualification for any local preference
- Racial and ethnic designation of the head of household

EOHLC and the RAAs will maintain a separate waiting list for each region within the Commonwealth of Massachusetts.

#### Regional Designation

Regional designation is automatically assigned when an applicant’s data is first entered into the waiting list. The regional designation is based on the mailing address provided in the pre-application. The regional designation places the applicant on one of the regional waiting lists.

Applicants residing out of state are not entitled to a regional residency preference and are assigned a regional designation of zero.

#### Change in Regional Designation

After the initial regional designation has been assigned it may be changed only for three reasons:

- Change of address (see [Reporting Changes in Family Circumstances While on the Waiting List](#)) – an applicant may change their regional designation if they have moved to a community within Massachusetts that is in a different region from where they applied. The applicant must provide verification of residence at the new address, such as a current utility bill. Original date and time of application will not change.
  - However, an applicant who resides in Massachusetts at the time of application and then moves out of state prior to selection from the waiting list will be required to change their regional designation to zero. If that applicant moves back to Massachusetts prior to selection from the waiting list, that applicant may regain the regional residency preference of their new Massachusetts residence upon provision of verification of residence at the new address.
- Employment out of region – an applicant may change their regional designation if the community in which they work is in a different region than where they reside. The applicant must provide verification of employment in the region such as a current pay stub or a statement from the employer. Original date and time of application will not change.
- If the applicant resides in a shelter at the time of application – an applicant residing in a shelter may change their regional designation to the region of their last permanent residence, if different. No evidence of residence will be required for the initial change; however, if subsequent changes are requested, verification will be required. Original date and time of application will not change.

A change of regional designation may either increase or decrease an applicant’s waiting time depending upon the number of applicants in that region, the number of vouchers allocated to that region, and participant turnover. When an applicant submits a change of address, the regional designation will be changed automatically by the RAA if such a change would be beneficial to the applicant.

Certain special programs, namely, MTW activities, are not administered statewide. If any of EOHLC’s RAAs receive a referral for a regional project-based special program other than PBV, EOHLC must be consulted.

### **3.3.2 Opening and Closing the Waiting List**

[24 CFR 982.206]

#### Closing the Waiting List

EOHLC may choose to close its waiting list at any time. There is no HUD requirement for a public notice to close the waiting list.

#### Reopening the Waiting List

On March 27, 2000, EOHLC opened its waiting list with the intention that it will remain open indefinitely.

If the waiting list does close, EOHLC will announce the reopening of the waiting list at least 15 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

EOHLC will give public notice by publishing the relevant information in suitable media outlets including, but not limited to a newspaper of general circulation and regionally appropriate minority newspapers. EOHLC and the RAAs will also disseminate information through use of web sites, bulletin boards, newsletters, and outreach to other housing and service providers in their jurisdiction, including agencies which serve individuals with disabilities.

If the waiting list is closed, and all applicants within a regional administering area have been exhausted, EOHLC will open the list in a limited manner accepting applications only from applicants who reside or work in that region.

### **3.3.3 Family Outreach**

EOHLC and the RAAs will conduct outreach as necessary to ensure that there is a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

Because HUD requires EOHLC and the RAAs to serve a specified percentage of extremely low-income families, EOHLC and the RAAs may need to conduct special outreach to ensure that an adequate number of such families apply for assistance.

EOHLC and the RAA's outreach efforts will comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted at media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

The outreach efforts of EOHLC and the RAAs must be designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing application forms to other public and private agencies that serve the low-income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities
- Conducting targeted outreach efforts if and when certain identified populations are being underserved

### **3.3.4 Reporting Changes in Family Circumstances While on the Waiting List**

While the family is on the waiting list, the family must immediately inform the appropriate RAA of changes in family composition, preference, and contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing. Applicants should not rely on forwarding orders with the post office. With the implementation of an applicant portal, families will be able to update these changes themselves. If a family on the waiting list submits a subsequent application, the record will be updated to reflect the information provided in the most recent application.

The RAA will not provide notice that an address or other change was received and processed.

### **3.3.5 Change in Head of Household While on the Waiting List**

While a family is on the waiting list, the head of household named on the application may not be changed or removed from the application without the written consent of that named head of household. In the event that written consent is not possible (e.g. the named head of household has died), the RAA will evaluate changes in head of household on a case-by-case basis.

If the original head of household changes while the family is on the waiting list, the family must complete an update to the application and identify the new head of household. The RAA will allow the family to keep their initial date and time of application if the new head of household is the spouse of the named head of household. If the new head of household is anyone other than the spouse of the named head of household, the family must submit a new application, if the waiting list is open, and will be given a new date and time of application. EOHLC and the RAA may make exceptions to this policy and will evaluate exceptions on a case-by-case basis.

### **3.3.6 Family Break-Up or Split Households While on the Waiting List**

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

In the absence of a judicial decision, or an agreement among the original family members, the original head of household will retain the application date. Exceptions to the policy will be made on a case-by-case basis and may include consideration of the following factors:

- The interest of any minor children, including custody arrangements.
- The interest of any ill, elderly, or disabled family members.
- The interest of a family member who is the survivor of domestic violence, dating violence, sexual assault, stalking, or sex trafficking including a family member who was forced to leave an assisted unit as a result of such actual or threatened abuse.
- Any possible risks to family members as a result of criminal activity.
- The recommendations of social service professionals.

## **3.4 UPDATING THE WAITING LIST**

### **3.4.1 Purging the Waiting List**

The waiting list will be updated to ensure that all applications and application information is current and timely. Due to the size of the list, EOHLC or the RAA will generally update only those applications that are anticipated to be selected from the waiting list for the next 24-month period.

To update the waiting list, EOHLC or the RAA will send an update request via first-class mail to each family on the waiting list to determine whether the family continues to be interested in the program. EOHLC or the RAA may also complete updates via email, online portal, or text. Applicants will be provided with update instructions, including the delivery method for updates.

This update request will be sent to the last address that EOHLC or the RAA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from all federal waiting lists administered by EOHLC.

If the family fails to respond within the established response time, the family will be removed from the waiting list without further notice. An informal review will not be offered.

If the notice is returned by the post office with no forwarding address, this will be used as proof that the applicant has moved without notice and the applicant will be removed from the waiting list without further notice.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The family will have 30 days to respond from the date the letter was re-sent.

### **3.4.2 Reinstatement to Waiting List**

If a family is removed from the waiting list for failure to respond, the RAA may reinstate the family if it determines the lack of response was due to EOHLC's or the RAA's error, or to circumstances beyond the family's control.

Applicants who have been removed from the waiting list for failure to respond to a written notice may request reinstatement of their application for a period of 12 months following the deadline for response. The RAA shall reinstate the application if the applicant has no previous history or failure to respond to written notices. The RAA may reinstate the application even with previous history of non-response if:

- There is evidence that the applicant never received the notice, e.g., letter was returned as undeliverable but applicant has remained at that address.
- There is evidence of error by EOHLC or the RAA.
- The RAA determines that circumstances beyond the applicant's control prevented timely response to the notice, e.g., death in the family or hospitalization.
- There is evidence that the applicant is now able to complete the application process in a timely fashion, e.g. now has a case manager or other support services that will assist the applicant in the application process.

No applications will be reinstated after 12 months from a deadline to respond, unless EOHLC or the RAA determines that the applicant's failure to respond is caused by documented error of EOHLC or the RAA.

An applicant who has been removed from the list for failure to respond to a written request may be reinstated as a reasonable accommodation without limitation or if mitigating circumstances can be proven and the request is made within a reasonable period of time.

Applicants who are approved by EOHLC or the RAA for reinstatement to the waiting list will retain their original date and time of application.

However, all applications in progress as of the date of reinstatement shall have priority for funding over the reinstated application, even if they were submitted after the reinstated application's initial date of application.

If funds are not available at the time of reinstatement after all applications in progress are offered a voucher, the reinstated application shall remain on the top of the waiting list until such time as vouchers are available for applications with the same or later dates of initial application.

EOHLC and the RAAs do not accept responsibility for mail delays and/or nonreceipt by the applicant.

### **3.4.3 Removal from the Waiting List**

If at any time an applicant family is on the waiting list, EOHLC or the RAA determines that the family is not eligible for assistance (see [CHAPTER 4](#)) the family will be removed from the waiting list.

If a family is removed from the waiting list because EOHLC or the RAA has determined the family is not eligible for assistance, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the decision of the RAA (see [CHAPTER 16](#)) [24 CFR 982.201(f)].

EOHLC or the RAA will remove names of applicants:

- Who do not respond to a written request for information or updates.
- Who have become a participant in any of EOHLC's HCV programs.
- Who request removal from the waiting list.
- If correspondence to the applicant is returned by the Postal Service for any reason. In these instances, the RAA is not required to make any further effort to contact the applicant. An informal review is not required to be offered.

See [Effect of Selection on the Waiting Status for Other Programs](#) for policies on removal from the waiting list once housed.

### **3.5 SELECTION FOR HCV ASSISTANCE**

The RAAs will maintain a clear record of all information required to verify that the family is selected for HCV assistance according to EOHLC's selection policies.

#### **3.5.1 Targeted Funding**

[24 CFR 982.204(e)]

When HUD awards special funding for certain family types, families who qualify are placed on the waiting list. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the targeted funding criteria.

Within each targeted funding category, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by the RAA. Where there are criteria specific to the targeted vouchers (e.g. Mainstream vouchers), those applicants who meet those specific criteria will be selected first.

If there is no one on the waiting list eligible for the targeted program, EOHLC or the RAA may admit families that are not on the waiting list, or without considering the family's position on the waiting list. EOHLC or the RAA will maintain records showing that such families were admitted with special program funding.

Applicants for targeted funding programs must meet additional specific eligibility requirements. For some targeted programs, applicants are referred by agencies that provide services to the targeted population. Eligibility for these targeted programs is indicated on the application and on the waiting list, and the applicant is placed on the regular HCV waiting list if it is open. When a family cannot establish basic target program eligibility at the time of application, the provider agency is prohibited from making a referral and/or EOHLC or the RAA will refuse to accept the referral. For example, a referral to the Family Unification program (FUP) will not be placed on the waiting list unless the Department of Children and Families (DCF) verifies that the applicant has an open DCF case.

When vouchers become available to issue, EOHLC will request referrals from its partnering agencies. If denials of admission decisions are made by the provider agency, that agency is responsible for conducting the informal review or to provide the applicant with a comparable process.

#### **3.5.2 Local Admission Preferences**

[24 CFR 982.207]

EOHLC has established local admission preferences and gives priority to serving families that meet the criteria of those admission preferences.

Regional Residency Preference

A regional residency preference will be applied to all applicants who meet the residency criteria. The residency criteria are based upon the residence/employment of the head, co-head, or spouse. Use of the residency preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on race, color, ethnic origin, gender, sex, sexual orientation, religion, disability, or age of any member of an applicant family.

The residency preference areas are the administrative areas of EOHLC's Regional Administering Agencies (RAAs). Additionally, applicants who are working or who have been notified that they are hired to work in a residency preference area will be treated as residents of the residency preference area upon written request. Applicants may select their regional residence preference based on either their current residence or place of employment.

For employment, either full- or part-time employment qualifies a family for the regional residency preference.

#### Single Applicants

Single applicants, defined as a household with only one member, must be elderly or a person with disabilities or an eligible youth (see [Definitions of Family and Household Members](#)) to receive assistance. Use of the term "single" in this context does not refer to marital status. Upon selection from the waiting list, an applicant that is a one-member household and is not elderly or a person with disabilities or an eligible youth will be denied assistance. This will only apply to mobile vouchers. If a property has one-bedroom (or smaller units) on the project-based contract, it may admit single applicants who are not elderly, disabled or an eligible youth providing that the applicant meets the other eligibility requirements.

The RAA's selection letter must describe the implications of being a one-member household that is not elderly, a person with a disability or an eligible youth upon determination of program eligibility.

One-member households that are neither elderly, nor disabled nor an eligible youth may occupy project-based single room occupancy (SRO and Enhanced SRO (ESRO)) units under the project-based voucher program.

In project-based conversion actions, EOHLC will waive its single-applicant policy for in-place one-member households that are otherwise eligible for the program (see [In-Place Families](#)).

#### Non-Elderly Disabled Preferences

There is a limited preference for 75 vouchers for families that include a person with disabilities who is at least 18 and less than 62 years of age. See [FIVE-YEAR MAINSTREAM HOUSING PROGRAM \(MS5\)](#). EOHLC reserves the right to update this allocation consistent with funding availability.

There is additionally a limited preference for 89 vouchers for families that include a person with disabilities who is at least 18 and less than 62 years of age and who is in an institution or other segregated setting or is homeless. See [MAINSTREAM 2018 \(MS2018\)](#). EOHLC reserves the right to update this allocation consistent with funding availability.

### **3.5.3 Domestic Violence Preference**

[Notice PIH 2017-08]

EOHLC has established a limited local preference for 50 housing choice vouchers for victims of domestic violence, dating violence, sexual assault, stalking, and trafficking. This local preference is limited to families who are referred by a specific partnering service organization. Such organization will not deny its services to members of any Federally protected class under fair housing laws, e.g. race, color, religion, national origin, sex, disability, or familial status. EOHLC will enter into an MOU with the selected partnering service organization whereby such organization will be responsible for verifying the domestic violence preference and providing such certification to EOHLC's RAA. Upon turnover of a domestic violence voucher, the RAA will issue the voucher to another family who is referred by the partnering service organization. Where there are

more referrals than vouchers for this limited preference, EOHLC will maintain a waiting list using date and time of referral as the basis for selection.

### **3.5.4 Selection from the Waiting List**

Families will be selected from the waiting list based on the targeted funding, special housing initiatives, preferences for which they qualify, income targeting requirements, and date and time of application.

Selection from the waiting list is made in the order as outlined below. For applicants within the same category, selection will be made according to date and time of application. For families within the same category who, solely due to insufficient funding, were previously terminated or had vouchers recalled, selection will be made according to date and time of termination. Order of selection is as follows:

- Families who requested moves that were denied due to insufficient funding.
- Families with special purpose vouchers (NEDs, FUP, VASH) that were previously terminated or who had vouchers recalled due to insufficient funding.
- Once EOHLC and the RAA resume issuing vouchers after a funding shortfall, if the RAAs are not assisting the required number of NEDs, VASH, and FUP vouchers, EOHLC will direct the RAAs to issue vouchers to special purpose voucher categories of families on its waiting list until EOHLC and the RAAs are assisting the required number of special purpose vouchers.
- Families without special purpose vouchers who, solely due to insufficient funding, were previously terminated or had vouchers recalled (these families will be selected according to the date and time of termination/recall).
- PB 1 Opt-Out: Forced Opt-Out.
- PB Opt-Out: Under-housed.
- PB Opt-Out: Over-housed.
- PB Voluntary Opt-Out (subject to the applicable cap; see [Family Right to Move \(Opt-Out\) with Tenant-Based Assistance](#)).
- Households with a regional residency preference.
- Households with no regional residency preference, i.e., those who are not residents of the Commonwealth of Massachusetts at the time they applied.

#### **3.5.4.1 Project-Based Opt-Outs**

The RAA will select eligible project-based opt-out families from the waiting list according to the following PB opt-out hierarchy. Within PB opt-out categories, applicants will be selected according to date and time of application.

- PB 1: Forced Opt-Outs
- PB 2: Under-housed
- PB 3: Over-housed
- PB 4: Voluntary PB Opt-Outs (subject to the applicable annual cap; for policy information on the voluntary PB Opt-Out cap and further information on opt-outs, see [Family Right to Move \(Opt-Out\) with Tenant-Based Assistance](#))

The following PB opt-out households are deemed PB 1: Forced Opt-Outs:

- Households that are survivors of domestic violence pursuant to the VAWA policy.
- Households that require a tenant-based voucher to address an approved reasonable accommodation request.

- Where relocation has been specifically recommended by law enforcement, households that have been victims of or witnesses to a violent crime.
- Non-disabled households that occupy an accessible unit and that have been requested to move to allow a disabled household to move into the accessible unit.
- Households that can document the need to move in order to obtain or maintain employment.
- Households that can document that a household member has been accepted into a higher education institution and can document the need to move in order to attend the institution.

### **3.5.5 Income Targeting Requirement**

[24 CFR 982.201(b)(2)]

EOHLC’s [MTW Agreement](#) with HUD requires that at least 75% of those assisted under the program are “very low-income” (VLI). EOHLC VLI families are those with annual incomes that do not exceed the higher of the federal poverty level or 50% of the area median income.

Low-income families admitted to the program that are “continuously assisted” under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(1)(v)].

EOHLC and the RAAs will monitor progress in meeting the VLI requirement throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

### **3.5.6 Effect of Selection on the Waiting Status for Other Programs**

An applicant may be on the tenant-based and project-based waiting lists but may be processed from only one EOHLC-managed waiting list at a time.

When an applicant successfully completes the admission process by leasing a unit under any EOHLC Section 8 program, they will be removed from other EOHLC-maintained waiting lists. If the applicant chooses to remain on other lists, it will be the applicant’s responsibility to update contact information as necessary.

## **3.6 NOTIFICATION OF SELECTION**

The RAA will notify the family by first-class mail when it is selected from the waiting list. See [CHAPTER 4](#) for screening and eligibility policies.

# CHAPTER 4 : ELIGIBILITY

## 4.1 INTRODUCTION

The RAA is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by EOHLC or the RAA to confirm eligibility and determine the level of the family's assistance.

- To be eligible for the HCV program: The applicant family must:
  - Qualify as a family as defined by HUD and EOHLC.
  - Have income at or below HUD-specified income limits.
  - Not exceed the Asset Limitations as outlined in section 7.5.1 of this Admin Plan.
  - Qualify on the basis of citizenship or the eligible immigrant status of family members.
  - Provide Social Security number information for family members as required (see [Social Security Numbers](#)).
  - Consent to the RAA's collection and use of family information as provided for in RAA-provided consent forms.
- EOHLC or the RAA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or EOHLC.

## 4.2 DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS

### 4.2.1 Family and Household

[24 CFR 982.201(c); 24 CFR 5.403]

#### Family

To be eligible for assistance, an applicant must qualify as a family. As defined by HUD, 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 be an elderly person, displaced person, disabled person, near-elderly person, or any other single person (see [Local Admission Preferences](#) for limitations on eligibility for single persons).
- A single person who is at least 18 years of age but not more than 24 years of age, who has left foster care or will leave foster care within 90 days and is homeless or at risk of becoming homeless from age 16 or older.
- 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
  - The remaining member of a tenant family

*Gender identity* means actual or perceived gender-related characteristics.

*Sexual orientation* means homosexuality, heterosexuality, or bisexuality.

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law. The RAA has the discretion to determine if any other group of persons qualifies as a family. Each family must identify the individuals to be included in the family at the time the Family Certification Form is completed and must update this information if the family's composition changes.

#### Household

Household is a broader term that includes additional people who, with the permission of the RAA, live in an assisted unit, such as live-in aides, foster children, and foster adults.

#### **4.2.2 Head of Household**

[24 CFR 5.504(b)]

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a co-head or spouse.

The family may designate any qualified family member as the head of household. The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

#### **4.2.3 Spouse, Co-head, and Other Adult**

A family may have a spouse or co-head, but not both.

#### Spouse

Spouse means the marriage partner of the head of household.

#### Co-head

A co-head is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co-head.

Minors who are emancipated under state law may be designated as a co-head.

#### Other Adult

Other adult means a family member, other than the head, spouse, or co-head, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

#### **4.2.4 Interdependent Relationship or Domestic Partnership**

To claim an interdependent relationship or domestic partnership, individuals must demonstrate and certify that each individual's income and other resources will be available to meet the needs of the family and that the family otherwise comprises a "housekeeping unit," meaning the individuals share expenses, household chores, household shopping responsibilities, and other common household activities. An interdependent relationship/domestic partnership may exist regardless of actual or perceived sexual orientation, gender identity, or marital status.

An interdependent relationship or domestic partnership is defined as a committed relationship between two adults, in which the partners:

- Maintain a common residence and intend to continue to do so (or would maintain a common residence but for an assignment abroad or other employment-related, financial, or similar obstacle).
- Are at least 18 years of age and mentally competent to consent to contract.
- Share responsibility for a significant measure of each other's financial obligations.

- Are not the domestic partner of anyone else.
- Are willing to certify, if required by the agency, that they understand that willful falsification of any documentation required to establish that an individual is in a domestic partnership may lead to disciplinary action and the recovery of the cost of benefits received related to such falsification.

#### **4.2.5 Dependent**

[24 CFR 5.603(b)]

A dependent is a family member who is:

- Under 18 years of age
- A person of any age who is a person with a disability
- A full-time student

The following persons can never be dependents:

- The head of household
- Spouse
- Co-head
- Foster children
- Foster adults
- Live-in aides

#### Joint Custody of Dependents

Dependents who are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 50% or more of the time (183 or more days and in a leap year, 184 or more days).

When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents.

If there is a dispute about which family should claim them, EOHLC or the RAA will make the determination based on available documents such as court orders, school records, or an IRS return showing which family has claimed the child for income tax purposes.

#### **4.2.6 Full-Time Student**

[24 CFR 5.603(b)]

A full-time student is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

#### **4.2.7 Elderly and Near-Elderly Persons, and Elderly Family**

[24 CFR 5.100 and 5.403]

##### Elderly Persons

An elderly person is a person who is at least 62 years of age.

##### Near-Elderly Persons

A near-elderly person is a person who is 50-61 years of age.

##### Elderly Family

An elderly family is one in which the head, spouse, co-head, or sole member is an elderly person.

#### **4.2.8 Persons with Disabilities and Disabled Family**

[24 CFR 5.403]

##### Persons with Disabilities

Under the HCV program, special rules apply to persons with disabilities and to any family whose head, spouse, or co-head is a person with disabilities. The HUD definition of disability for the purposes of eligibility (and deductions) is found at 24 CFR 5.403.

##### Disabled Family

A disabled family is one in which the head, spouse, or co-head is a person with disabilities.

Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent EOHLC or the RAA from denying assistance for reasons related to alcohol and drug abuse following policies found in this chapter, or from terminating assistance following the policies in [CHAPTER 15](#).

#### **4.2.9 Live-In Aide**

[24 CFR 5.403]

Live-in aide means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

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

The RAA must approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and usable by the family member with disabilities.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations [24 CFR 5.609(c)]. Live-in aides have no rights to the unit or voucher and cannot become a remaining family member for continued occupancy. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

It is preferred that a family's request for a live-in aide be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

Occasional, intermittent, multiple, or rotating care givers typically do not reside in the unit and would not qualify as live-in aides. Therefore, an additional bedroom will not be approved for a live-in aide under these circumstances.

The RAA will conduct a background check on a prospective live-in aide and will not approve a particular person as a live-in aide, and may withdraw such approval if [24 CFR 982.316(b)]:

- The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- The person commits drug-related criminal activity or violent criminal activity.

- The person currently owes rent or other amounts to EOHLC or the RAA, or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Within 15 business days of receiving a request for a live-in aide, including all required documentation related to the request, the RAA will notify the family of its decision in writing.

A participant must immediately notify the RAA of any changes in the status of a live-in aide and family members, if any. Failure to do so may result in program termination.

#### Live-In Aide with Spouse or Dependent

A RAA may only approve one additional bedroom for a live-in aide. Although a live-in aide may have family member(s) approved by the RAA live with them in the assisted unit, no additional bedrooms will be provided for the family members of the live-in aide. The RAA must ensure that housing quality standards (HQS) and occupancy standards will not be violated and that there will be no more than two people per bedroom or living/sleeping space in the unit in accordance with 24 CFR 982, Subpart I. If the approval of additional family members of a live-in aide would result in the violation of HQS or occupancy standards, the additional family members of the live-in aide may not be approved.

The RAA must perform a criminal background check on live-in aides and their family members 18 years or age or older who will be residing in the unit. The background check must be acceptable for approval to be granted.

### **4.2.10 Foster Children and Foster Adults**

A foster adult is a member of the household, who is 18 years old or older, who cannot live alone due to a condition that prohibits them from independently completing their Activities of Daily Living. The condition may be physical or mental in nature [24 CFR 5.603].

A foster child is a minor child who has been taken into state custody and placed by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction with a family/individual who cares for them in place of their parent or guardian.

Foster children and foster adults who are living with an applicant or assisted family are considered household members but not family members. Foster children and foster adults do not qualify for a dependent deduction [24 CFR 5.609] and their income, assets and expenses are not included in the participant family's household income, with the exception of childcare if the family can prove they are not being reimbursed for the cost.

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards set forth in 24 CFR 982, Subpart I.

Children who are temporarily absent from the home as a result of placement in foster care are discussed in the policies related to Absent Family Members below.

### **4.2.11 Absent Family Members**

#### Definition of Temporarily Absent

Generally, an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member.

#### Definition of Permanently Absent

Generally, an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

#### Absent Students

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the RAA indicating that the student has established a separate household or the family declares that the student has established a separate household.

#### Deployed Military Families

The RAA will make reasonable exceptions to program requirements for active-duty military families, to the extent possible while responsibly administering the HCV program. These exceptions will be granted at the sole discretion of the RAA on a case-by-case basis.

Exceptions for active-duty military families may include, but are not limited to:

- Allowing a suitable guardian to move into the assisted unit on a temporary basis to care for any dependents that the military person leaves in the unit. Income of the guardian temporarily living in the unit solely for this purpose is not to be counted in determining family income and rent.
- Carefully considering the circumstances of any case involving delayed payment of rent by the family.
- Continuing to pay HAPs to the owner on behalf of the military family for the duration of deployment even if all members of the family are temporarily absent from the assisted unit; however, the RAA may not exceed the EOHLC's regulatory limit of 180 days for family absence from the unit.
- Considering a family member who is absent from the assisted unit due to their active military duty temporarily absent. The person will continue to be considered a family member for the duration of the individual's deployment unless information becomes available to the RAA indicating that the individual has established a separate household or the family declares that the individual has established a separate household.
- Using provisional documents and income information to complete a reexamination and then conducting an interim reexamination when the military personnel's information is available.

#### Absences Due to Placement in Foster Care

[24 CFR 5.403]

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

If a child has been placed in foster care, the RAA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.



A foster child or foster adult could be considered an assisted family member in one household while also being a foster child or adult in another household and receiving consideration in both families' voucher size and/or unit size.

#### Absent Head, Spouse, or Co-head Due to Employment

An employed head, spouse, or co-head absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

#### Family Members Permanently Confined for Medical Reasons

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted.

The RAA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be

considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

#### Return of Permanently Absent Family Members

The family must request the approval of the RAA for the return of any adult family members that the RAA has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter.

### **4.3 TYPES OF LOW-INCOME FAMILIES**

- Low-income family: A family whose annual income does not exceed 80% of the median income for the area, adjusted for family size.
- Very low-income family: A family whose annual income does not exceed 50% of the median income for the area, adjusted for family size.
- Extremely low-income family: A family whose annual income does not exceed the higher of the federal poverty level or 30% of the area median income for the area, adjusted for family size.

HUD may establish income ceilings higher or lower than 30%, 50%, or 80% of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

### **4.4 BASIC ELIGIBILITY CRITERIA**

#### **4.4.1 Income Eligibility**

##### **4.4.1.1 Using Income Limits for Eligibility**

[24 CFR 982.201]

Income limits are used for eligibility only at voucher issuance and admission. Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income-eligible, a family must be one of the following:

- A very low-income family.
- A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR 248.173.
- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 CFR 248.101.
- A low-income family that meets additional eligibility criteria specified in EOHLC's administrative plan. Such additional criteria will be consistent with EOHLC's Annual Plan and with the consolidated plans for local governments in EOHLC's jurisdiction.
- A low-income household made up solely of persons with disabilities and receiving state-funded services is eligible for admission as part of the Commonwealth's effort to provide the least restrictive setting possible for persons with disabilities.
- Existing tenants in Rental Assistance Demonstration (RAD) projects on the date of the conversion action may be low-income for the purposes of eligibility.
- A low-income family that has been "continuously assisted" under the 1937 Housing Act. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the HCV program [24 CFR 982.4].

- A low-income family that is referred to EOHLC and the RAA by the VA for a Veterans Affairs Supportive Housing voucher. See [Income Determination at Eligibility](#) for details on VASH income eligibility.

Regardless of varying income limits across the state, the RAAs will apply the highest income limit in EOHLC’s statewide jurisdiction for the family size at both voucher issuance and admission to the program.

#### **4.4.1.2 Continuously Assisted**

Brief interruptions in assistance caused by transitioning from one form of assistance under one 1937 Act program to another will not be considered to break the continuity of assistance where the reason for the transition was through no fault of the family, such as the expiration of a HAP contract for a project-based development or termination of a HAP contract for owner breach. EOHLC policy limits the extent of the brief interruption of an applicant’s prior participation to 120 days.

This definition of “continuously assisted” also includes families that, at the time they were selected from the waiting list, were either participants in good standing of the MTW Demonstration Program or had graduated in good standing from the MTW Demonstration Program.

### **4.5 THE APPLICATION INTERVIEW**

Once an applicant has reached the top of the waiting list, the RAA will send written notice notifying the applicant of selection from the waiting list. Depending on EOHLC’s or the RAA’s requirements, the notice will either (1) request that the applicant respond by indicating his or her interest in continuing the eligibility process, after receipt of which an eligibility interview will be scheduled or (2) directly schedule an eligibility interview. If the RAA opts to send a scheduling notice, the notice will include the following:

- Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview.
- Who is required to attend the interview.
- Documents that must be provided at the interview to verify the legal identity of household members, including information about what constitutes acceptable documentation.
- Other documents and information that should be brought to the interview.

If a notification letter is returned to the RAA with no forwarding address, the family will be removed from the waiting list. A notice of denial ([see Removal from the Waiting List](#)) will be sent to the family’s address of record, as well as to any known alternate address. An informal review will not be offered.

Generally, all adult household members are required to attend the screening interview. However, either the head of household or co-head may attend the interview on behalf of the family.

Verification of information pertaining to adult members of the household not present at the interview will not begin until signed release forms are returned to the RAA.

The interview will be conducted only if the head of household and co-head provide appropriate documentation of legal identity ([CHAPTER 6](#) provides a discussion of proper documentation of legal identity). If the family representative does not provide the required documentation, the appointment may be rescheduled when the proper documents have been obtained. The RAAs will not provide assistance to a family until all SSN documentation requirements are met. See [Social Security Numbers](#);

[Timeframe to Submit Documents for SSN](#). However, if the RAA determines that an applicant family is otherwise eligible to participate in the program but has not yet provided complete SSN documentation, the family may retain its place on the waiting list for 60 days from the date of request, after which the family will be determined ineligible.

The family must provide the information necessary to establish the family’s eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and

submitting required documentation. If any materials are missing, the RAA will provide the family with a written list of items that must be submitted.

Any required documents or information must be provided by the family within 15 business days from the date of the RAA's request with the exception of SSN documentation ([see](#)

[Timeframe to Submit Documents for SSN](#)).

If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial.

An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

Interviews will be conducted in English. For limited English proficient (LEP) applicants, the RAA will provide translation services in accordance with its LEP plan. The RAAs with bilingual staff are encouraged to offer interviews in another language, either routinely, or upon special request.

Reasonable accommodations will be made for persons with disabilities who are unable to attend an interview due to their disability.

If the family is unable to attend a scheduled interview, the family should contact the RAA in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, the RAA will send another notification letter with a new interview appointment time. Applicants who fail to attend two scheduled interviews without the approval of EOHLC or the RAA will be denied assistance based on the family's failure to supply information needed to determine eligibility. A notice of denial will be issued in accordance with [CHAPTER 4](#). No informal review will be offered.

#### **4.5.1 Completing the Eligibility Process**

The RAA must verify all information provided by the family ([see CHAPTER 6](#)). Based on verified information, the RAA must make a final determination of eligibility ([see CHAPTER 4](#)) and must confirm that the family qualified for any special admission, targeted admission, or selection preference that affected the order in which the family was selected from the waiting list.

If the RAA determines that the family is ineligible, the RAA will send written notification of the ineligibility determination within 15 business days of the determination. The notice will specify the reasons for ineligibility and will inform the family of its right to request an informal review ([CHAPTER 16](#)).

If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list (e.g. targeted funding, extremely low-income), the family will be returned to its original position on the waiting list. The RAA will notify the family in writing that it has been returned to the waiting list and will specify the reasons for it.

If the RAA determines that the family is eligible to receive assistance, the RAA will invite the family to attend a briefing in accordance with the policies in [CHAPTER 5](#).

### **4.6 APPLICANT SCREENING**

The RAA conducts applicant screening to evaluate the eligibility and suitability of families who apply to the HCV program. The RAA may deny assistance to an applicant based on the screening of applicants for family behavior or suitability for tenancy.

No applicant to the HCV program who has been a survivor of domestic violence, dating violence, stalking, sexual assault, or sex trafficking shall be denied admission into the program if they are otherwise qualified.

Debt, criminal background, sex offender, and past and current behavior screening policies include basic screening information, reasons for mandatory and non-mandatory denial and mitigating factors. Mitigating factors may be considered for certain screening outcomes. Upon consideration of mitigating factors, the RAA may, on a case-by-case basis, decide not to deny assistance.

#### **4.6.1 EIV Existing and Former Tenant Search**

The RAAs will conduct EIV screening for new applicants. An EIV Existing Tenant Search will be conducted on minor and adult members of an applicant household and when adding an adult or minor to an existing household.

The RAAs will discuss with the applicant if the EIV Existing Tenant Search identifies that the applicant or a member of the applicant's household is residing at another federally subsidized housing location, giving the applicant the opportunity to explain any circumstances relative to their being assisted at another location.

The RAAs will follow up with the respective public housing agency or owner to confirm the individual's program participation status before admission, if necessary, depending on the outcome of the discussion with the applicant.

The RAAs will retain the search results along with any documentation obtained as a result of contact with the applicant and the PHA and/or owner at the other location.

An EIV Former Tenant Search will be conducted on adult members of an applicant household and when adding an adult to an existing household. The RAAs will follow EOHLC policies on denial and termination of assistance when reviewing and acting on results of the EIV Former Tenant Search.

#### **4.6.2 Screening for Criminal Background and Sex Offender Registration**

The RAAs are authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the HCV program ([see Criminal Activity](#)). This authority assists the RAAs in complying with requirements and policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records, EOHLC and the RAA require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].

The RAA will conduct a criminal background check on every adult household member in accordance with current Criminal Offender Record Information (CORI) regulations. CORI regulations and procedures may be found at [Criminal Offender Record Information \(CORI\) - Executive Office of Public Safety](#).

The RAA will not base a determination that an applicant or household engaged in criminal activity warranting denial of admission, termination of assistance, or eviction on a record of arrest(s). Although a record of arrest(s) may not be used to deny a housing opportunity, the RAA may make an adverse housing decision based on the conduct underlying an arrest if the conduct indicates that the individual is not suitable for tenancy and the RAA has sufficient evidence other than the fact of arrest that the individual engaged in the conduct. The conduct, not the arrest, is what is relevant for admissions and tenancy decisions [Notice PIH 2015-19].

The RAA are required to perform background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 982.553(a)(2)(i)]. [See Mandatory Denial of Assistance](#) for more detail.

If the RAA proposes to deny assistance based on a criminal record or on lifetime sex offender registration information, the RAA must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission [24 CFR 5.903(f) and 5.905(d)].

#### **4.6.3 Debt Screening**

The RAA will conduct a debt screening on all members 18 years or older to determine:

- If the applicant owes rent or other amounts to EOHLC or the RAA or another housing authority in connection with Section 8 or public housing assistance under the 1937 Act.

- If the family has not reimbursed EOHLC or the RAA or another housing authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- If the family has breached an agreement with EOHLC or the RAA or another housing authority to pay amounts owed to EOHLC or the RAA or another housing authority.
- If the family has breached an agreement with EOHLC or the RAA or another housing authority to repay amounts paid to an owner by EOHLC or the RAA or another housing authority.

When an applicant currently owes EOHLC or the RAA or another housing authority money from previous HCV program participation or public or assisted housing residency under the 1937 Act, the RAA will require that the entire amount be paid in full within 90 days prior to allowing the applicant admission or re-admission to the HCV Program.

For purposes of this section, “current” means amounts owed to EOHLC or the RAA or another housing authority during the last six years or such other period for which the statute of limitations has not tolled in Massachusetts or other applicable jurisdiction.

**For Example:** If an applicant’s participation in an assisted program ended in 2007 due to debts owed, and the applicant never repaid such amounts and applies for the HCV program in 2011, then a “current” debt is owed. If the applicant’s participation in an assisted program ended in 1985 for the same reason, that debt could not be considered “current” unless applicable law permitted.

The RAA will consider debt that is not “current” (as defined above) as part of a history of non-payment and may deny admission to a household if there is other evidence of a history of non-payment and/or other eligibility factors, when taken as whole, that render a household ineligible for admission.

#### **4.6.4 Screening for Suitability as a Tenant**

[24 CFR 982.307]

EOHLC and the RAAs have no liability or responsibility to the owner for the family’s behavior or suitability for tenancy.

#### **4.6.5 Citizenship or Eligible Immigration Status**

[24 CFR 5, Subpart E]

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens who have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with EOHLC’s [Language Access Plan](#), the notice must be in a language that is understood by the individual if the individual is not proficient in English.

##### **4.6.5.1 Declaration**

[24 CFR 5.508]

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals, and eligible noncitizens, the declaration must be signed personally by the head, spouse, co-head, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see [Ineligible Noncitizens](#) below). No declaration is required for live-in aides, foster children, or foster adults.

#### 4.6.5.2 U.S. Citizens and Nationals

Citizens and nationals are required to submit only a signed declaration as verification of their status. Family members who declare citizenship or national status will not be required to provide additional documentation unless the RAA receives information indicating that an individual's declaration may not be accurate.

#### 4.6.5.3 Eligible Noncitizens

In addition to providing a signed declaration, except for persons 62 years or older, those declaring eligible noncitizen status must sign a verification consent form and cooperate with the efforts of the RAA to verify their immigration status as described in [CHAPTER 6](#).

Additional documents are required based upon the person's status:

- A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.
- Noncitizens who claim eligible immigration status must also present the applicable USCIS document. Acceptable USCIS documents include:
  - Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
  - Form I-94 Arrival-Departure Record annotated with one of the following:
    - “Admitted as a Refugee Pursuant to Section 207”
    - “Section 208” or “Asylum”
    - “Section 243(h)” or “Deportation stayed by Attorney General”
    - “Paroled Pursuant to Section 221 (d)(5) of the USCIS”
  - Form I-94 Arrival-Departure Record with no annotation accompanied by:
    - A final court decision granting asylum (but only if no appeal is taken)
    - A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90)
    - A court decision granting withholding of deportation
    - A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90)
  - Form I-766, Employment Authorization Card
  - A receipt issued by the USCIS 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.
  - Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the Federal Register.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

#### 4.6.5.4 Ineligible Noncitizens

Ineligible noncitizens are those noncitizens who do not wish to contend their immigration status. EOHLC requires that noncitizens sign a certification attesting to their ineligible immigration status. The RAAs are not required to verify a family member's ineligible status and are not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join

the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

#### **4.6.5.5 Mixed Families**

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered mixed families. Such families will be given notice that their assistance will be prorated and that they may request a hearing if they contest this determination. See [CHAPTER 7](#) for a discussion of how rents are prorated, and [CHAPTER 16](#) for a discussion of informal hearing procedures.

#### **4.6.5.6 Ineligible Families**

[24 CFR 5.514(d), (e), and (f)]

The RAAs will not provide assistance to a family before the verification of the eligibility of the individual or at least one family member.

When the RAA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written denial notice within 15 business days of the determination.

The denial notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with the RAA. The informal hearing with the RAA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process.

The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process. Informal hearing procedures are contained in [CHAPTER 16](#).

#### **4.6.5.7 Timeframe for Determination of Citizenship Status**

[24 CFR 5.508(g)]

EOHLC will require citizenship/immigration status declarations and applicable verification for new occupants joining an assisted family prior to approving the addition to the household.

If an individual qualifies for a time extension for the submission of required documents, the RAA will grant such an extension for no more than 30 days [24 CFR 5.508(h)]. Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

#### **4.6.5.8 Social Security Numbers**

[24 CFR 5.216 and 5.218]

The applicant and all members of the applicant's household must disclose the complete and accurate Social Security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. A detailed discussion of acceptable documentation is provided in [CHAPTER 6](#).

Note: These requirements do not apply to noncitizens who do not contend eligible immigration status.

In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or regular reexamination. Participants aged 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.

The RAA will deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.

#### Timeframe to Submit Documents for SSN

Applicants will be required to provide an SSN on the pre-application form. The RAA will request verification of the SS number during screening for eligibility.

Alternate arrangements will be made for applicants who are not US citizens or have eligible immigration status.

If a child is added to an applicant household within six months prior to the date of admission the applicant may become a participant if the Social Security number is provided within 90 calendar days from the effective date of the HAP contract. If after 90 days, verification of the Social Security number is not provided, the RAA may grant one 90-day extension assistance if the delay is caused by circumstances beyond the applicant's control. [See](#)

[Social Security](#) Numbers for policies on verification for timelines for provision of SSN documentation for new admissions and new household members where individuals are under six and in cases where individuals are at least six years of age.

Participants who contend eligible immigration status and who have not previously disclosed a valid SSN must do so at their next scheduled or interim reexamination.

### **4.7 FAMILY CONSENT TO THE RELEASE OF INFORMATION**

[24 CFR 5.230]

HUD requires each adult family member, and the head of household, spouse, or co-head, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice (or an EOHLC version thereof), and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. [CHAPTER 6](#) provides detailed information concerning the consent forms and verification requirements.

The RAAs will deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information that EOHLC or the RAAs have determined necessary in the administration of the HCV program in accordance with 24 CFR 5, Subparts B and F [24 CFR 982.552(b)(3)].

### **4.8 STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION**

[24 CFR 5.612]

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income-eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from their parents in accordance with EOHLC policy, the income of the student's parents will not be considered in determining the student's eligibility.

This does not apply to students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

#### Determining Student Eligibility

For any student who is subject to the restrictions in 24 CFR 5.612, the RAA will:

- Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program.

- Determine whether the student is independent from their parents in accordance with the definition of “independent student” in this section.
- Follow the policies below, if applicable, in determining whether the student’s parents are income eligible for the program.

If the RAA determines that the student, the student’s parents (if applicable), or the student’s “family” is not eligible, the RAA will send a notice of denial in accordance with the policies in this chapter, and the applicant family will have the right to request an informal review in accordance with the policies in [CHAPTER 16](#).

In determining whether and how the new eligibility restrictions apply to a student, the RAA will rely on the following definitions:

- **Dependent Child**  
In the context of the student eligibility restrictions, a dependent child means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of dependent in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.
- **Independent Student**  
In order to be considered an independent student, the individual must meet one or more of the following criteria:
  1. The individual is 24 years of age or older by December 31st of the award year.
  2. The individual is an orphan, in foster care, or a ward of the court at any time from when the individual was 13 years of age or older.
  3. The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual’s state of legal residence.
  4. The individual is a veteran of the U.S. Armed Forces or is currently serving active duty for other than training purposes.
  5. The individual is a graduate or professional student.
  6. The individual is married.
  7. The individual has legal dependents other than a spouse.
  8. The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by a local educational agency homeless liaison; the director or designee of the director of a program funded under the Runaway and Homeless Youth Act, or of a program funded under Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act; or a financial aid administrator.
  9. The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

The RAA will verify that a student meets the above criteria in accordance with the policies in [CHAPTER 6](#).

- **Institution of Higher Education**  
The RAA will use the statutory definitions found at [20 USC § 1001](#) and [1002](#) to determine whether a student is attending an institution of higher education.
- **Parents**

For purposes of student eligibility restrictions, the definition of parents includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians.

- Person with Disabilities

The RAA will use the statutory definition under [42 USC § 3\(b\)\(3\)\(E\)](#) to determine whether a student is a person with disabilities.

- Veteran

A veteran is a person who served in the active military, naval, air, or space service and who was discharged or released from such service under conditions other than dishonorable.

#### **4.8.1 Determining Parental Income Eligibility**

For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of independent student above, the RAA will determine the income eligibility of the student's parents as follows:

- If the student's parents are married and living together, the RAA will obtain a joint income declaration and certification of joint income from the parents.
- If the student's parent is widowed or single, the RAA will obtain an income declaration and certification of income from that parent.
- If the student's parents are divorced or separated, the RAA will obtain an income declaration and certification of income from each parent.
- If the student has been living with one of their parents and has not had contact with or does not know where to contact their other parent, the RAA will require the student to submit an affidavit under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The RAA will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.
- In determining the income eligibility of the student's parents, the RAA will use the income limits for the jurisdiction in which the parents live.

### **4.9 DENIAL OF ASSISTANCE**

#### **4.9.1 Overview**

A family that does not meet the eligibility criteria must be denied assistance. In addition, HUD requires or permits EOHLC and the RAAs to deny assistance based on certain types of current or past behaviors of family members.

##### **4.9.1.1 Forms of Denial**

[24 CFR 982.552(a)(2)]

Denial of assistance includes any of the following:

- Not placing the family's name on the waiting list
- Denying or withdrawing a voucher
- Not approving a request for tenancy or refusing to enter into a HAP contract
- Refusing to process a request for or to provide assistance under portability procedures

##### **4.9.1.2 Prohibited Reasons for Denial of Program Assistance**

[24 CFR 982.202(b), Pub.L. 109-162]

HUD rules prohibit denial of program assistance to the program based on any of the following criteria:

- Age, disability, race, color, religion, sex, sexual orientation, gender identity, and/or national origin (see CHAPTER 2 for additional information about fair housing and equal opportunity requirements).
- Where a family lives prior to admission to the program.
- Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside EOHLC's jurisdiction (see 14.4 Port-Outs).
- Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.
- Whether the family includes children.
- Whether a family decides to participate in a family self-sufficiency program.
- Whether or not a qualified applicant is or has been a survivor of domestic violence, dating violence, sexual assault, stalking, or sex trafficking if the applicant is otherwise qualified for assistance

#### 4.9.2 Mandatory Denial of Assistance

[24 CFR 982.553(a)]

HUD requires EOHLC and the RAAs to deny assistance in the following cases:

- Any member of the household has been evicted from federally assisted housing in the last three years for drug-related criminal activity. The RAA will admit an otherwise eligible family if the family can demonstrate that the person who committed the crime is no longer living in the household. The RAA may admit an otherwise eligible family who was evicted from state or federally assisted housing within the past three years for drug-related criminal activity if the RAA is presented with evidence to balance the criminal offense with mitigating circumstances, such as completion of a drug rehabilitation program approved by the RAA.
- The RAA determines that any household member is currently engaged in the use of illegal drugs, as defined by federal law. "Currently engaged in" is defined as any use of illegal drugs during the previous six months, unless the applicant is currently enrolled in and fully compliant with treatment.
- The RAA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine in any location, not just on the premises of federally assisted housing.
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program.



As of the publication date, the following HOTMA regulations are temporarily suspended pending guidance from HUD. Please do not implement until further instructions are provided by EOHLC.

- Net family assts exceed \$100,000 (to be adjusted annually for inflation)

- The family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell (based on laws of the state or locality in which the property is located), real property that is suitable for occupancy by the family as a residence.



The RAA will carry out background checks necessary to determine whether a member of a household applying for admission is subject to a lifetime sex offender registration requirement under a state sex offender registration program. This check must be carried out for Massachusetts and for other states where the household members are known to have resided.

In addition to screening adult members of the household, juvenile household members will also be screened to the extent allowed by state and local law.

The RAA will verify information provided by the applicant by searching both the Massachusetts Sex Offender Registry Board (SORB) website (<https://www.mass.gov/orgs/sex-offender-registry-board>) and the Dru Sjodin National Sex Offender database (<http://www.nsopw.gov/>). A record of this screening, including the date performed, shall be retained in the family file. The RAA will destroy the results of the search in accordance with 24 CFR 5.903(g).

In Massachusetts, whether a person is a lifetime registrant depends on the crime they committed, NOT on whether they are classified as level 1, 2, or 3. Section 178G of M.G.L. c.6 states that the duty to register ends 20 years after conviction, adjudication, or release from jail, unless the person has committed certain types of crimes, in which case the person must register for his or her lifetime.

A sex offender is subject to lifetime registration if the offender:

- Has been determined (by the SORB) to be a sexually violent predator,
- Has been convicted of offense(s) which require lifetime sex offender registration under 803 CMR 1.00,
- Has been convicted of a sexually violent offense, or
- Has been convicted of a sex offense involving a child.

The above is a summary. For a complete definition of offenses, go to <https://www.mass.gov/orgs/sex-offender-registry-board>, and read the definition in 803 CMR 1.00).

### **4.9.3 Other Permitted Reasons for Denial of Assistance**

#### **4.9.3.1 Criminal Activity**

[24 CFR 982.553]

If any household member is currently engaged in or has engaged in any of the following criminal activities within the past three years, the family will be denied assistance.

- Drug-related criminal activity, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug [24 CFR 5.100].
- Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100]. However, persons convicted of egregious acts of violence may be denied assistance regardless of the length of time that has elapsed since the crime was committed. Egregious crimes mean extremely bad crimes, reprehensible crimes, where the scars of such crimes have lifelong effects on the victim, their families, and the community.

- Examples include but are not limited to sexual molestation, rape, sexual slavery, enforced prostitution, indecent assault and battery with intent to rape, murder (first, second, or third degree), and manslaughter.
- Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity (i.e. within a three-block radius of the premises).
- Criminal activity that may threaten the health or safety of property owners, management staff, and persons performing contract administration functions or other responsibilities on behalf of EOHLC or the RAA (including employee(s), contractor(s), subcontractor(s), or agent(s)).

Evidence of such criminal activity includes, but is not limited to:

- Any conviction for drug-related or violent criminal activity within the past three years.
- Any arrests for drug-related or violent criminal activity within the past three years.
- Any record of eviction from public or privately-owned housing as a result of criminal activity within the past three years. A conviction for drug-related or violent criminal activity will be given more weight than an arrest for such activity. Proof of conviction or eviction is evidenced by written documentation from a court of law, district attorney's office, or other agencies or sources that have legitimate access to this information.

In making its decision to deny assistance, the RAA will consider the factors discussed in this chapter. Upon consideration of such factors, the RAA may, on a case-by-case basis, decide not to deny assistance.

#### **4.9.3.2 Previous Behavior in Assisted Housing**

[24 CFR 982.552(c)]

The RAA will not deny assistance to an otherwise eligible family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program.

The RAA will deny assistance to an applicant family if:

- The family does not provide information that EOHLC or HUD determines is necessary in the administration of the program.
- The family does not provide complete and true information to the RAA.
- Any family member has been evicted from federally- or state-assisted housing in the last five years (three years for drug-related criminal activity).
- Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal or state housing program, e.g., withholding or misrepresenting information about income.
- A family member has engaged in or threatened violent or abusive behavior toward EOHLC personnel or personnel of the RAAs.

EOHLC or the RAA may deny assistance to an applicant family if:

- Any PHA has ever terminated assistance under the program for any member of the family; however, if the family resubmits an application with the household member in question removed from the application, the RAA will consider the family for assistance.
- The family owes rent or other amounts to EOHLC or the RAA or another PHA in connection with Section 8 or public housing assistance under the 1937 Act, unless the family repays the full

amount of the debt prior to being selected from the waiting list or, if otherwise eligible, before a voucher is issued. For more information, [see Debt Screening](#).

Abusive or violent behavior towards EOHLC personnel or personnel of the RAAs includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior. Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to deny assistance, the RAA will consider the factors discussed in [Criteria for Deciding to Deny Assistance](#). Upon consideration of such factors, the RAA may, on a case-by-case basis, decide not to deny assistance.

#### **4.9.4 Criteria for Deciding to Deny Assistance**

##### **4.9.4.1 Evidence**

[24 CFR 982.553(c)]

The RAA will use the concept of the preponderance of the evidence as the standard for making all admission decisions.

Preponderance of the evidence is defined as 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 show 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.

Documentation may include police reports or arrest/disturbance reports.

##### **4.9.4.2 Consideration of Circumstances**

[24 CFR 982.552(c)(2)]

HUD authorizes EOHLC and the RAA to consider all relevant circumstances when deciding whether to deny assistance based on a family's past history except in the situations for which denial of assistance is mandated ([see Mandatory Denial of Assistance](#)).

The RAA will consider the following factors prior to making its decision:

- The seriousness of the case, especially with respect to how it would affect other residents.
- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure.
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in [Prohibition Against Denial of Assistance to Survivors of Domestic Violence, Dating Violence, Sexual Assault, Stalking](#)) a survivor of domestic violence, dating violence, sexual assault, stalking, or sex trafficking.
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future.
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully. The RAA will require the applicant 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.

#### **4.9.4.3 Removal of a Family Member's Name from the Application**

[24 CFR 982.552(c)(2)(ii)]

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

After admission to the program, the family must present evidence of the former family member's current address upon the request of the RAA.

#### **4.9.4.4 Reasonable Accommodation**

[24 CFR 982.552(c)(2)(iv)]

If the family includes a person with disabilities, the RAA's decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, the RAA will determine whether the behavior is related to the disability.

If so, upon the family's request, the RAA will determine whether alternative measures are appropriate as a reasonable accommodation. See [Policies Related to Persons with Disabilities](#) for a discussion of reasonable accommodation.

##### **Notice of Eligibility or Denial**

If the family is eligible for assistance, the RAA will notify the family when it extends the invitation to attend the voucher briefing appointment, as discussed in [CHAPTER 5](#).

If the RAA determines that a family is not eligible for the program for any reason, the family must be notified in writing within 15 business days of the determination.

The notice will describe:

- The reasons for which assistance has been denied.
- The family's right to an informal review.
- The process for obtaining an informal review. See [Informal Reviews](#) for policies and procedures [24 CFR 982.554(a)].

If, based on a criminal record or sex offender registration information, an applicant family appears to be ineligible, the RAA will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record. The family will be given 15 business days to dispute the accuracy and relevance of the information before the RAA can move to deny the application.

If the family does not contact the RAA to dispute the information within that 15-day period, the RAA will proceed with issuing the notice of denial of admission.

A family that does not exercise their right to dispute the accuracy of the information prior to the issuance of the official denial letter will still be given the opportunity to do so as part of the informal review process.

Notice requirements related to denying assistance to noncitizens are contained in [Hearing and Appeal Provisions for Non-Citizens](#).

Notice policies related to denying admission to applicants who may be survivors of domestic violence, dating violence, sexual assault, or stalking can be found in [Violence Against Women Reauthorization Acts of 2005, 2013, and 2022 \(VAWA\)](#).

#### **4.9.5 Prohibition Against Denial of Assistance to Survivors of Domestic Violence, Dating Violence, Sexual Assault, Stalking and Sex Trafficking**

[24 CFR Part 5, Subpart L]

The Violence against Women Reauthorization Act of 2005, 2013, and 2022 (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been a survivor of domestic violence, dating violence, sexual assault, stalking, or sex trafficking.

Definitions of key terms in VAWA are provided in [Violence Against Women Reauthorization Acts of 2005, 2013, and 2022 \(VAWA\)](#), where general VAWA requirements and policies pertaining to notification documentation, and confidentiality are also located.

#### **4.9.5.1 Notification**

EOHLC and the RAAs acknowledge that a survivor of domestic violence, dating violence, sexual assault, stalking, or sex trafficking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior offense) that would warrant denial under EOHLC's policies.

Therefore, if the RAA makes a determination to deny admission to an applicant family, the RAA will include in its notice of denial the information described in [CHAPTER 16](#) of this plan and will request that an applicant wishing to claim protection under VAWA notify EOHLC or the RAA within 10 business days.

#### **4.9.5.2 Survivor Documentation**

If an applicant claims the protection against denial of assistance that VAWA provides to survivors of domestic violence, dating violence, sexual assault, stalking, or sex trafficking, the RAA will request in writing that the applicant provide documentation supporting the claim in accordance with [Violence Against Women Reauthorization Acts of 2005, 2013, and 2022 \(VAWA\)](#).

#### **4.9.5.3 Perpetrator Documentation**

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

- A signed statement requesting that the perpetrator be removed from the application and certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit.
- Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The survivor and perpetrator must also sign or attest to the documentation.

# CHAPTER 5 : BRIEFING AND ISSUANCE

## 5.1 INTRODUCTION

This chapter explains the briefing and voucher issuance process. When a family is determined to be eligible for the Housing Choice Voucher (HCV) program, EOHLC and the RAA must ensure that the family fully understands the way the program operates and the family's obligations under the program. This is accomplished through both an oral briefing and provision of a briefing packet containing written documentation of information the family needs to know. Once the family is fully informed of the program's requirements, the RAA issues the family a voucher. The voucher includes the unit size the family qualifies for based on EOHLC's subsidy standards, as well as the dates of issuance and expiration of the voucher. The voucher is the document that permits the family to begin its search for a unit and limits the amount of time the family has to successfully locate an acceptable unit.

## 5.2 BRIEFING SESSIONS

The RAA will conduct briefings for applicant families. The briefing provides a broad description of owner and family responsibilities, explains EOHLC's policies and procedures, and includes instructions on how to lease a unit.

The RAA must give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed individually or in groups. At the briefing, the RAA must ensure effective communication in accordance with the requirements of Section 504 of the Rehabilitation Act of 1973 and ensure that the briefing site is accessible to individuals with disabilities. For a more thorough discussion of accessibility requirements, refer to [CHAPTER 2](#).

Briefings may be conducted in group meetings and may be held at the office of the applicable RAA. Briefings may also be conducted remotely (see [Notice PIH 2020-32](#)), and RAAs must ensure that applicant families receive and/or have access to the briefing presentation itself (including the visual and audio presentations) as well as supporting documentation, including the required briefing packets. If conducting a remote briefing, RAAs must first assess any technological barriers, such as access to a computer, phone, or tablet with a camera, adequate internet connection and data, and a sufficiently private location, that may exist for the family. Where barriers exist, RAAs shall work with families to resolve those barriers. If a family does not have adequate technological access that will allow full participation, the remote briefing should be postponed to a more suitable time, or an in-person alternative must be provided. If postponement is warranted due to the lack of adequate technological access, the RAA may not hold against the individual his or her inability to participate in the remote briefing.

Generally, the head of household is required to attend the briefing. If the head of household is unable to attend, the RAA may approve another adult family member to attend the briefing.

If the family cannot attend a briefing because of illness or disability, the RAA shall conduct individual briefing sessions at a location convenient to the family; or the family may send a proxy to the briefing. The family must sign a release form authorizing the proxy to attend the briefing on its behalf. The family, not the proxy, must sign all forms distributed at the briefing.

Families that attend group briefings and still need individual assistance will be referred to an appropriate staff member.

Briefings will be conducted in English. For limited English proficient (LEP) applicants, the RAA will provide translation services in accordance with its LEP plan (See [CHAPTER 2](#)).

### 5.2.1 Notification and Attendance

The RAA will send eligible families a written notice to invite them to attend a briefing. The notice will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing.

If the notice is returned by the post office with no forwarding address, a notice of denial (see [CHAPTER 4](#)) will be sent to the family's address of record, as well as to any alternate address provided on the initial full application.

Applicants who fail to attend a scheduled briefing will automatically be scheduled for another briefing. The RAA will notify the family of the date and time of the second scheduled briefing. Applicants who fail to attend two scheduled briefings, without the approval of the RAA, will be denied assistance (see [CHAPTER 4](#)). No informal review will be offered.

### **5.2.2 Oral Briefing Session Content**

[24 CFR 982.301(a)]

The RAAs must take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6 and 28 CFR part 35, subpart E.

Each briefing must provide information on the following subjects:

- How the Housing Choice Voucher program works.
- Family and owner responsibilities.
- Where the family can lease a unit, including renting a unit inside or outside EOHLC's jurisdiction and any information on selecting a unit that HUD provides.
- An explanation of how portability works. An explanation of how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance. The RAAs cannot discourage families from choosing to live anywhere in EOHLC's jurisdiction, or outside EOHLC's jurisdiction under portability procedures, unless otherwise expressly authorized by statute, regulation, PIH Notice, the MTW policy, or court order.
- An explanation of the advantages of living in areas that do not have a high concentration of low-income families.

The RAA will also inform the family of the following:

- When EOHLC- or RAA-owned units are available for lease, the family has the right to select any eligible unit available for lease and is not obligated to choose an EOHLC- or RAA-owned unit.
- Applicable MTW policies.
- The possible impact of a CORI on an applicant's ability to transfer to another PHA or PHA's jurisdiction.
- Restrictions on moving with continued assistance if money is owed.
- Explanation of an exception payment standard and its appropriate use as a mechanism to enable the family to further its housing opportunities. See [Exception Payment Standards](#) and [Unit-by-Unit Exceptions](#) for a description of EOHLC's policy on granting exception payment standards for MTW and non-MTW vouchers.
- An explanation of the reasonable accommodation policies of EOHLC.

### **5.3 BRIEFING PACKET**

[24 CFR 982.301(b)]

Documents and information provided in the briefing packet must include the following:

- The term of the voucher, and EOHLC's policies on any extensions or suspensions of the term. If EOHLC allows extensions, the packet must explain how the family can request an extension.

- A description of the method used to calculate the housing assistance payment for a family, including how EOHLC and the RAA determine the payment standard for a family, how EOHLC and the RAA determine total tenant payment for a family, and information on the payment standard and utility allowance schedule.
- An explanation of how EOHLC and the RAA determine the maximum allowable rent for an assisted unit.
- The advantages of areas that do not have a high concentration of low-income families.
- Where the family may lease a unit. For a family that qualifies to lease a unit outside EOHLC jurisdiction under portability procedures, the information must include an explanation of how portability works, including information on how portability may affect the family's assistance through screening, subsidy standards, and any other elements of the portability process which may affect the family's assistance.
- Restrictions on the number and timing of moves by a household.
- The HUD-required tenancy addendum, which must be included in the lease (see [Lease and Tenancy Addendum](#)).
- The form the family must use to request approval of tenancy, and a description of the procedure for requesting approval for a tenancy.
- A statement of EOHLC policy on providing information about families to prospective owners.
- The EOHLC subsidy standards include when and how exceptions are made.
- Materials on how to select a unit and any additional information on selecting a unit that HUD provides.
- The HUD pamphlet on lead-based paint entitled Protect Your Family from Lead in Your Home.
- Information on federal, state, and local equal opportunity laws, the contact information for the RAA's Section 504 coordinator, and a copy of the housing discrimination complaint form (HUD-903).
- Information about reasonable accommodation policies and procedures must be provided for all families, regardless of whether any household member has a disability. Furthermore, the policies should clearly define the criteria for exception payments related to reasonable accommodations.
- A list of landlords known to the RAAs who may be willing to lease a unit to the family or other resources such as newspapers, organization, and online search tools, known to the RAA that may assist the family in locating a unit. The RAA must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.
- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to the RAAs.
- An explanation of family obligations under the program and the Statement of Family Responsibility form (see [Family Obligations](#)). The grounds on which the RAAs may terminate assistance for a participant family because of family action or failure to act.
- Informal review and hearing procedures including when the RAA is required to offer a participant family the opportunity for an informal review or hearing, and how to request the hearing.
- Information related to requirements under the MTW Demonstration including how families with vouchers funded under MTW are subject to different policies, e.g., biennial reexamination, limit on voluntary reexaminations.

### 5.3.1 Additional Items to Be Included in the Briefing Packet

RAAs will provide the following additional materials in the briefing packet.

- Information about the protections afforded by the Violence Against Women Act of 2005, 2013 and, 2022 (VAWA) to survivors of domestic violence, dating violence, sexual assault, stalking, and sex trafficking (See [Violence Against Women Reauthorization Acts of 2005, 2013, and 2022 \(VAWA\)](#)).
- “Is Fraud Worth It?” (Form HUD 1141-OIG) which explains the types of actions a family must avoid and the penalties for program abuse.
- “What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19.
- Other items as EOHLC or the RAA may determine.

### 5.3.2 Additional Information to be Provided to Project-Based Voucher (PBV) Families

In addition to the content required in sections 5.2 and 5.3, the RAA will provide both oral and written information to families accepting PBV assistance regarding the family’s right to move under EOHLC’s voluntary Opt-Out policy in [20.32](#).

## 5.4 SUBSIDY STANDARDS AND VOUCHER ISSUANCE

### 5.4.1 Determining Family Unit (Voucher) Size

[24 CFR 982.402]

For each family, the RAA determines the appropriate number of bedrooms under EOHLC’s subsidy standards and enters the family unit size on the voucher that is issued to the family. The family unit size does not dictate the size of unit the family must actually lease, nor does it determine who within a household will share a bedroom/sleeping room (see [CHAPTER 29; 105](#)).

The following requirements apply when the RAA determines family unit size:

- The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
- The subsidy standards must be consistent with space requirements under HUD’s maximum space standards and the [Massachusetts State Sanitary Code](#).
- The subsidy standards must be applied consistently for all families of like size and composition.
- A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.
  - If an assisted family temporarily housed this foster child and counted the child as a member of their family, then the child would be considered a family member of two assisted families at the same time.
  - As used in this section, “temporarily” means that the Department of Children and Families (DCF) goal for the family is reunification with their children within one year of the date the subsidy is issued.
  - When the goal for children in foster care is adoption, the children are not considered “temporarily” absent and the family will be issued a subsidy size that does not include the children in foster care. Should DCF change a family’s goal from adoption to reunification the RAA will increase the family’s subsidy size as appropriate, and when appropriate. In any case, EOHLC or the RAA will not terminate a HAP contract unless HQS space standards are violated.

- The family must sign a release for the purpose of obtaining relevant information from DCF.
- If a planned reunification does not occur within the first year after the subsidy is issued the family will be considered over-housed and the subsidy size will be reduced.
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family and will be entitled to a voucher appropriate to the anticipated family size.
- Any live-in aide (approved by the RAA to reside in the unit to care for a family member who is disabled, elderly, or near-elderly) must be counted in determining the family unit size.
- Unless a live-in aide resides with a family, the family unit size for any family consisting of a single person must be either a zero- or one-bedroom unit, as determined under EOHLC's subsidy standards.

The RAA will assign one bedroom for each two persons within the household, except in the following circumstances:

- Family members of the opposite sex (other than spouses or partners) will be allocated separate bedrooms
- Live-in aides will be allocated a separate bedroom.
- Single person families will be allocated one bedroom.
- For purposes of determining subsidy standards, an adult is 21 years of age or older and a child is under 21 years of age.
- Adults will be allocated one bedroom per adult. If two adults consider themselves partners, they will be allocated one bedroom.
- An adult will not be required to share a bedroom with a child.
- A parenting minor will not be required to share a bedroom with a child.
- The head of household will be allocated one bedroom. If they have a partner, the partner will share the bedroom.
- Unborn children will be included in the size of the household.
- Two children of the same gender will share one bedroom regardless of their age differential. This includes children of blended families, who may have different parents.
- Two children of the opposite gender will be allocated separate bedrooms.
- In instances where a family member does not have sole custody of a child, or if a child lives only part of the time with the household, the RAA must consider custody and the amount of time that the child spends with the applicant/participant. The RAA must quantify the amount of time the child spends with the applicant/participant based on documentary proof provided by the applicant/participant. See [Dependent](#). More than one applicant or participant cannot claim the same child.

#### **5.4.2 Exceptions to Subsidy Standards**

In determining family unit size for a particular family, the RAA may grant an exception to EOHLC's established subsidy standards if the RAA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances [24 CFR 982.402(b)(8)]. Reasons may include, but are not limited to:

- A need for an additional bedroom for medical equipment

- A need for a separate bedroom for reasons related to a family member’s disability, medical or health condition
- For a single person who is not elderly, disabled, or a remaining family member, an exception cannot override the regulatory limit of a zero- or one-bedroom [24 CFR 982.402(b)(8)]

The RAA will consider granting an exception for any of the reasons specified in the regulation: the age, sex, health, disability, or relationship of family members or other personal circumstances.

The family must request any exception to the subsidy standards in writing. The request must explain the need or justification for a larger family unit size and must include appropriate documentation.

Reasonable accommodation requests based on health-related reasons must be verified by a knowledgeable professional source, such as a doctor or other medical professional unless the disability and the disability-related request for accommodation is readily apparent or otherwise known.

The RAA will notify the family of its determination within 15 business days of receiving the family’s request. If a participant family’s request is denied, the notice will inform the family of their right to request an informal hearing.

## 5.5 VOUCHER ISSUANCE

[24 CFR 982.302]

When a family is selected from the waiting list or as a special admission, or when a participant family wants to move to another unit, the RAA issues a Housing Choice Voucher, form HUD-52646. For voucher issuance associated with moves of program participants, please refer to [CHAPTER 13](#) and [CHAPTER 14](#).

The voucher is the family’s authorization to search for housing. It specifies the unit size for which the family qualifies and includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher is evidence that the RAA has determined the family to be eligible for the program, and that EOHLC expects to have money available to subsidize the family if the family finds an approvable unit.

A voucher can be issued to an applicant family only after the RAA has determined that the family is eligible for the program based on information received within the 60 days prior to issuance [24 CFR 982.201(e)] and after the family has attended an oral briefing.

If funds are insufficient to house the family at the top of the waiting list, EOHLC or the RAA must wait until it has adequate funds before it calls another family from the list.

If EOHLC determines that there is insufficient funding after a voucher has been issued, EOHLC and the RAA may rescind the voucher, following HUD approval, and place the affected family back on the waiting list.

Prior to issuing any vouchers, EOHLC will determine whether it has sufficient funding in accordance with the policies in

[Determination of Insufficient Funding](#). If, due to budgetary constraints, EOHLC and the RAA must rescind vouchers that have already been issued to families, EOHLC guidance states that the RAA do so according to the instructions under each of the categories below.

The RAA, on behalf of EOHLC, will first rescind vouchers that fall under Category 1. Vouchers in Category 2 will only be rescinded after all vouchers under Category 1 have been rescinded.

- **Category 1:** Vouchers for which a Request for Tenancy Approval (RFTA) and proposed lease have not been submitted to the RAA. Vouchers will be rescinded in order of the date and time they were issued, starting with the most recently issued vouchers.

- Category 2: Vouchers for which a Request for Tenancy Approval and proposed lease have been submitted to the RAA. Vouchers will be rescinded in order of the date and time the RFTA was submitted to the RAA, starting with the most recently submitted requests.

Families who have their voucher rescinded will be notified in writing and will be reinstated to their former position on the waiting list. When funding is again available, families will be selected from the waiting list in accordance with EOHLC selection policies described in [CHAPTER 3](#).

### **5.5.1 Voucher Term**

[24 CFR 982.303]

The initial voucher term will be 120 calendar days. The family must submit a Request for Tenancy Approval and proposed lease within 120 days voucher issuance. See [CHAPTER 14](#) for policies related to portability.

### **5.5.2 Extensions of Voucher Term**

[24 CFR 982.303(b)]

EOHLC is removing the automatic 30-day extension. When necessary, RAAs may grant extensions as a reasonable accommodation for a person with a disability. Any request for extension must include the reasonable accommodation request along with documentation of any housing search activities, to support the family’s request. All requests for extensions to the voucher term must be made in writing and submitted to the RAA prior to the expiration date of the voucher (or extended term of the voucher).

RAAs must record and track any approved extensions in the voucher management software. While this new policy still allows for RAA discretion in granting extension requests, it is intended to install parameters around the broad flexibility that EOHLC has historically messaged and allowed for.

#### **5.5.2.1 Mainstream Extension of Voucher Term**

For families with a Mainstream voucher, including both newly admitted and current Mainstream families:

- The RAA will approve the first extension request, regardless of how the request is made (written or verbal) or when it is made, as long as the request is made on or before the term expiration date and is consistent with the applicable requirements.
  - Any subsequent extension requests must be made in writing and consistent with this Admin Plan.
- Any extension will be for a period of at least 90 days.
- The RAA will notify the family at least once prior to the initial term expiration to remind them of the term expiration date, the process for requesting an extension, and to inquire if the family is in need of assistance with their housing search.

#### **5.5.2.2 VASH Extension of Voucher Term**

HUD–VASH vouchers must have an initial search term of at least 120 days. This applies to the search term at both initial issuance and moves with assistance. Any extensions, suspensions, and progress reports will follow the MTW [5.5.2 Extensions of Voucher Term](#) policy above.

### **5.5.3 Suspensions of Voucher Term**

[24 CFR 982.303(c)]

“Suspension” means stopping the clock on a family’s voucher term [24 CFR 982.4]. The RAA’s determination not to suspend a voucher term is not subject to informal review. [24 CFR 982.554(c)(4)].

When a Request for Tenancy Approval is received by the RAA, the term of any initial or extended voucher will be suspended (the clock stopped) from the date the family submits a request for tenancy approval until the date the RAA notifies the family, in writing, whether the request has been approved or denied.

When the RAA denies a request for tenancy, the family will be notified immediately that the clock on the voucher term has restarted. The notice will include the new expiration date of the voucher.

#### **5.5.4 Expiration of Voucher Term**

If an applicant family's voucher term or extension expires before the RAA has approved a tenancy, EOHLC will require the family to reapply for assistance.

The RAA will notify the family in writing that the voucher term has expired and that the family must reapply in order to be placed on the waiting list. If the family reapplies and is later selected to receive a voucher, the prior inability to locate a unit and expiration does not make the family ineligible for the later voucher.

## CHAPTER 6 : VERIFICATION

The RAAs must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain the family's consent to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. EOHLC and the RAAs must not pass on the cost of verification to the family.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies of EOHLC.

### 6.1 GENERAL VERIFICATION REQUIREMENTS

The following are general verification requirements:

- The document must be the original or authentic document generated by a third-party source.
- Any documents used for verification generally must be dated within 120 days of the date of request by the RAA. The documents must not be damaged, altered or in any way illegible.
- The RAA will accept documents dated more than 120 days after the request date if the document represents the most recent report from a source. For example, a family member may work for a profit-sharing company that only sends disbursement reports twice a year.
- For fixed income sources, a statement dated within the appropriate benefit year is acceptable documentation. For example, A COLA letter received in November 2024 is acceptable for an eligibility determination in July 2025.
- The RAA's staff member who views the original document must make a photocopy, enter the date the original was viewed, and sign the copy. A printout of an electronic document is considered to be and can be used as an original document.
- Any family self-certifications must be made in a format acceptable to the RAA and must be signed by the household member whose information or status is being verified. The preferred method is to have the certification/statement signed in the presence of a RAA's staff member. If not signed in the RAA's presence, then the self-certification must be under penalty of perjury. If in their sound discretion, the RAA's staff member determines that it is necessary, the person who is making the declaration may be required to have the certification/statement signed before a Notary Public.
- Written third-party verification forms must be signed and dated by the verifier.
- The cost of verification will not be passed on to the family.
- Documents must not be damaged, altered, or illegible in any way. The RAA may reject any tenant provided documentation if:
  - The document is not an original.
  - The original document has been altered, mutilated or is not legible.
  - The document appears to be a forged document (i.e., does not appear to be authentic).
  - The electronic document is not readable, not dated or does not identify the person to whom the income belongs.
- At its discretion, the RAA may reject any participant-provided documents and follow-up directly with the source to obtain necessary verification of information.
- Documents must be date-stamped on the day they are received by the RAA. A computer date/time stamp on emails or in the header/footer of other online printouts will satisfy this requirement.

- All verification documents must be original and not photocopied. Electronic copies or printouts will be considered original documents.
- Allow five business days for receipt of requested verification before moving onto the next level of verification.
- Printouts from webpages are considered original documents. For example, a bank statement obtained from an online banking report is considered an original document.
- Paystubs must be consecutive (extenuating circumstances must be documented).
- Enter full figures into the data system. The data system will automatically round the figures for you. If verifying the calculation by hand, round figures at the final annual calculation and not before. For example, if the monthly benefit is \$356.79, multiply  $\$356.79 \times 12 = \$4,281.48$ . Round at the annual calculation \$4,281.
- When verification documents use a range of hours and/or rates, calculate the average number of hours and/or rates using the range provided.
- For fully excluded income, such as food stamps and full-time student income, self-verification using the Family Certification Form is acceptable. Third-party verification is not required for fully excluded income. However, the income must be entered and excluded when completing the transaction.

### **6.1.1 File Documentation**

The RAA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the RAA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

The RAA will document, in the family file, the following:

- Reported family annual income
- Value of assets
- Expenses related to deductions from annual income
- Other factors influencing the adjusted income or income-based rent determination

### **6.1.2 Family Consent to Release of Information**

[24 CFR 982.516; 24 CFR 982.551; 24 CFR 5.230]

The family must supply any information that EOHLC, the RAA or HUD determines is necessary to the administration of the program and must consent to verification of that information [24 CFR 982.551].

#### **6.1.2.1 Consent Forms**

All adult applicants and participants are required sign an updated form HUD-9886, Authorization for Release of Information, or an EOHLC version thereof, to be completed no later than their next interim or regularly scheduled income reexamination either on or after January 1, 2024. Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

The executed HUD-9886/EOHLC version consent forms will remain effective until the family is denied assistance, the assistance is terminated, or if the family provides written notification to the RAA to revoke consent. Families have the right to revoke consent by providing written notice to the RAA; EOHLC must notify their local HUD office of a family's revocation of consent.

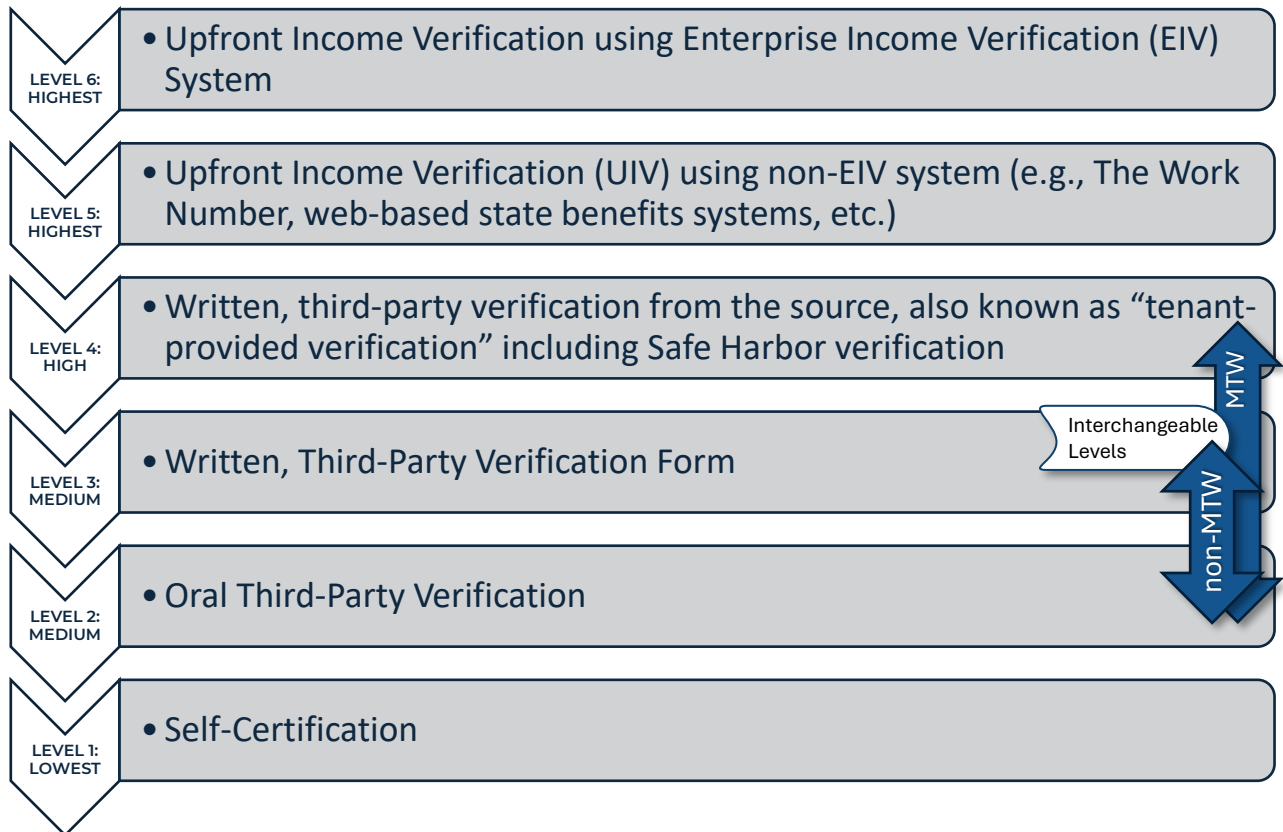
### 6.1.2.2 Penalties for Failing to Consent

[24 CFR 5.232]

If any family member who is required to sign a consent form fails to do so, the RAA will deny admission to applicants and terminate assistance of participants. Revoking consent may result in termination of assistance or denial of admission as the RAA will be unable to process interim or annual reexaminations of income without the family’s executed consent form(s). The family may request an informal review (applicants) or informal hearing (participants) in accordance with EOHLC policies.

### 6.1.3 HUD’s Verification Hierarchy

The RAA may use six methods to verify household information. In general, the RAA will use the most reliable form of verification that is available and to document the reasons when the RAA uses a lesser form of verification. In order of priority, the forms of verification that the RAA will use are:



## 6.2 LEVEL 6: ENTERPRISE INCOME VERIFICATION (EIV)

HUD’s EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families. HUD requires EOHLC and the RAA to use the EIV system in its entirety (See [Notice PIH 2023-27](#); [Table J1](#)). The following policies apply to the essential use of HUD’s EIV system.

### 6.2.1 Safeguarding EIV Data Within the Tenant File

To prevent prohibited disclosure to unauthorized viewers of EIV data, the RAA must take measures to retain all timely EIV record hard copies and electronic copies in a secure fashion. If the tenant file is securely stored when not in use, the RAA is no longer obligated to maintain these documents in an envelope labeled as confidential. The RAA will maintain EIV records consistent with [HUD EIV security requirements](#).

For electronic files, EOHLC’s housing software has a password-enabled platform and thus no separation of records is needed; however, the person whose income the EIV record is identified with should be the only family member to whom it is disclosed, unless there is a consent to disclose to other family members.

### 6.2.2 Income Validation Tool (IVT)

The IVT report facilitates and enhances identification of unreported or under-reported income during interim and regular reexaminations. The IVT also provides income and wage, unemployment compensation, and SSA benefit information. Additionally, the IVT report provides income information for heads of household and family members where there may be discrepancies in family reported income and employer reported information.

At each regular reexamination of income and family composition the RAA will:

- Review the EIV Income and IVT reports to confirm/validate tenant-reported income.
- Print and maintain the EIV Income and IVT Reports in the tenant file.
- Obtain current acceptable tenant-provided documentation to supplement EIV information (where applicable).
- Use current tenant-provided documentation and/or third-party verification to calculate annual income.
- Use EIV+Self-Certification to calculate annual income.



Additionally, at each regular reexamination of income and family composition, using the IVT, the RAA will:

- Identify any reported discrepancies in family reported income and employer reported information.
- Request the tenant to provide any documentation to confirm or dispute the income discrepancy.
- If applicable, determine the tenant rent using the correct and updated income.
- Determine the degree of tenant underreporting or misreporting of income information.
- Act in accordance with EOHLC policy to resolve the identified discrepancies.

### 6.2.3 EIV Income Reports

The RAA will obtain EIV income reports for regular reexams and will use the reports, as required by HUD, to verify and calculate applicable income and expenses. The RAA will not run EIV income reports for interim reexaminations solely related to changes in contract rent.

Income reports will be compared to family-provided information as part of the regular reexamination process. EIV income reports may be used to verify and calculate SS, Dual Entitlement, SSI benefits, Medicare insurance premiums.

Income reports will be used during the regular reexamination process to identify any discrepancies between tenant-reported income and income shown in the EIV system. EIV will also be used to verify that families claiming zero income are not receiving income from any of the EIV reported sources.

If there is no EIV income report available, or the EIV income report indicates “Failed EIV Prescreening” or “Pending Verification,” the RAA will print the “available” information and retain it in the file to document the use of EIV. The RAA will use other forms of verification.

When the RAA determines through income reports and third-party verification that a family concealed or under-reported income, corrective action will be taken pursuant to policies in [CHAPTER 17](#).

#### New Admission

For each new admission, the RAA will review the EIV Income and IVT Reports within 120 days from the first PIC submission date to ensure that families, at the time of admission, accurately reported income. The RAA will print and retain the reports and will take action to address any income discrepancies within 60 days from running the EIV income report.

#### Historical Adjustment

For each historical adjustment, the RAA will run the EIV Income and IVT Reports within 120 days from the PIC submission date to ensure that families accurately reported income. The RAA will print and retain the reports and will take action to address any income discrepancies within 60 days from running the EIV/IVT reports. Historical Adjustments will still apply in PIC. When HIP transition occurs, Historical Adjustments will no longer be accepted.

#### Regular Reexamination

For each regular reexamination of family income and composition, unless Safe Harbor income verification has been used, the RAA will review and retain in the tenant file the EIV Income and IVT Reports and any applicable documentation to resolve identified income discrepancies. If Safe Harbor has been used, then the RAA is not required to use and retain EIV/IVT reports.

### **6.2.3.1 EIV Discrepancies**

Discrepancies between tenant-reported income and information reported on the EIV Income Report will be investigated by the RAA.

EIV income reports will be compared to family-provided information in order to identify discrepancies. When it appears that a family may have concealed or under-reported income, the RAA will request written third-party verification of the income in question. When the RAA determines through file review and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in [CHAPTER 17](#).

#### EIV Identity Verification

The RAA will identify participants whose identity verification has failed by reviewing EIV's Identity Verification Report on a monthly basis.

The RAA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the participant. When the RAA determines that discrepancies exist due to staff errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

## **6.3 LEVEL 5: UP-FRONT INCOME VERIFICATION (UIV)**

Up-front income verification (UIV) refers to the RAAs' use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to the RAA.

There may be legitimate differences between the information provided by the family and UIV-generated information. If the family disputes the accuracy of UIV data, no adverse action can be taken until the RAA has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the RAA.

## **6.4 LEVEL 4: THIRD-PARTY WRITTEN VERIFICATION, INCLUDING SAFE HARBOR AND EIV+SELF-CERTIFICATION**

Written third-party verification documents are original and authentic documents dated within 120 days of the date received by the RAA (unless otherwise noted) generated by a third-party source and provided by the third-party source or the family.

For fixed-income sources, a statement dated within the appropriate benefit year that is determined to show the current benefit amount is acceptable documentation. Safe Harbor verification may be in the form of an award letter from the relevant federal program and must show that the family's income determination was made in the previous 12 months. If Safe Harbor documentation is used, the RAAs are not required to use the EIV Income Report or Income Validation Tool at regular reexamination.

Examples of acceptable written third-party documents include, but are not limited to pay stubs, payroll summary reports, employer notices or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. For Safe Harbor acceptable documentation, see 6.12 [Safe Harbor](#).

The RAA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible. If the RAA determines that third-party documents provided by the family are not acceptable, staff will explain the reason to the family and request additional documentation.



EIV+Self-Certification is considered Level 4 verification and may be used to calculate income as long as the family agrees with the information in EIV. The family must be provided with the information from EIV before signing off on a self-certification form. The RAA will use the total of the last four quarters as the annual income verification. The EIV Income report must be pulled within 120 days prior to the reexamination effective date.

### **6.5 LEVEL 3: WRITTEN THIRD-PARTY VERIFICATION FORM**

When upfront verification is not available or rejected by the RAA, and the family is unable to provide written third-party documents, the RAA may request verification directly from a third party through use of a written third-party verification form. The RAA may mail, fax, or email third-party written verification form requests to third-party sources.

Use of a written third-party verification form is mandatory when there is an unreported source of income or a substantial difference in reported income (\$2400-non-MTW; \$5000-MTW or more annually) and there is no UIV or tenant-provided documentation to support the income discrepancy.

### **6.6 LEVEL 2: ORAL THIRD-PARTY VERIFICATION**

For third-party oral verification, the RAA contacts sources, identified by UIV techniques or by the family, by telephone or in person. Third-party oral verification is used when requests for written third-party verification forms have not been returned within a reasonable time. In collecting third-party oral verification, RAA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds orally to the initial written request for verification, the RAA will accept that response as oral verification.

#### **6.6.1 Interchangeable Levels Prior to Self-Certification**



For non-MTW, Level 2 oral third-party verification may be substituted for Level 3 written third-party verification and vice versa. As long as the RAA has properly documented the unsuccessful use of either level, you may move onto Level 1, self-certification.

For MTW, Level 2 oral third-party, Level 3 written third-party and Level 4 third-party written verification are all interchangeable as long as the RAA has properly documented the unsuccessful use of the other levels.

### **6.7 LEVEL 1: SELF-CERTIFICATION**

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the

RAA. This level of verification should be used as a last resort. When relying on this level of verification, the RAA must document in the tenant file why the other levels of verification were not available.

The RAA may require a family to certify that a family member does not receive a particular type of income or benefit.

All self-certifications must be made in a format acceptable to the RAA and must be signed by the household member whose information or status is being verified. The preferred method is to have the certification/statement signed in the presence of a RAA staff member. If not signed in the presence of the RAA, then the self-certification must be made under penalty of perjury. If in their discretion, the staff member determines that it is necessary, the person who is making the declaration may be required to have the certification/statement signed before a Notary Public.

Level 1 Self-certification is not acceptable when verifying wages, SS/SSI benefits, public assistance, and unemployment benefits when not used in conjunction with EIV Income Report. It is also unacceptable to use self-certification for disability (unless obvious or otherwise known), VA pension, court-ordered child support, worker's compensation, unreimbursed medical expenses or, full-time student status.

## **6.8 WHEN THIRD-PARTY VERIFICATION IS NOT REQUIRED**

If the family cannot provide original documents, and/or there is a service charge for obtaining third-party verification, the RAA will deem third-party verification unavailable. The RAA will use other forms of verification according to the required verification hierarchy. The cost of verification will not be passed on to the family.

### **Primary Documents**

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

### **Imputed Assets**

The RAA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

## **6.9 VERIFYING FAMILY INFORMATION**

### **6.9.1 Photo ID**

To ensure the RAA has the ability to identify all persons 18 years of age or older (not just the head of household), all adult household members will be required to provide a current, government-issued identification at admission, upon addition to an HCV household or upon turning 18. For example, if a household member turns 18 between regular reexamination, they must provide a government-issued photo identification at the household's next regular recertification. Veterans who are referred for the VASH voucher may also provide their VA issued photo identification card as a valid photo ID.

The RAA reserves the right to request an updated photo ID after admission to the program to confirm legal identity.

As an accommodation for individuals with disabilities and elderly individuals, as well as for individuals with religious considerations, with prior EOHLC approval, the RAA may accept other forms of identification to establish identity.

### **6.9.2 Social Security Numbers**

[24 CFR 5.216; Notice PIH 2012-10; Notice PIH 2010-03]

The family must provide documentation of a valid Social Security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions

also include existing program participants who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.

#### Documents used to Verify Social Security Numbers

Social Security numbers must be verified only once during continuously assisted occupancy. The RAA will verify each disclosed SSN by:

- Obtaining documentation from applicants and participants that is acceptable as evidence of Social Security numbers.
- Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder.

The RAA will accept the following documentation as acceptable evidence of the Social Security number:

- An original SSN card issued by the Social Security Administration (SSA)
- An original SSA-issued document, which contains the name and SSN of the individual
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual, along with other identifying information of the individual
- A self-certification form plus a third-party document, such as a bank statement, utility or cell phone bill, benefit letter etc., that contains the name of the individual. This form of verification is only to be used when the individual does not have immediate access to their Social Security card or other acceptable documentation

When verifying an individual using self-certification plus a third-party document, the RAA must document why the other SSN documentation was not available.

Individuals self-certifying their SSN must provide the required government-issued documentation in accordance with policies in Social Security Numbers within 180 days of admission.

The RAA may only reject documentation of an SSN provided by an applicant or participant if the document is not an original document, if the original document has been altered, mutilated, or is not legible, or if the document appears to be forged.

The RAA will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the RAA within 90 days.

#### **6.9.2.1 SSN Verification and VASH Applicants**

The RAA must accept self-certification of SSN and at least one third-party document, such as a bank statement, utility or cell phone bill, or benefit letter that contains the name of the individual in the absence of other documentation. For the homeless veteran, the third-party document could be the VA-issued photo ID or document with the veteran's name. If verifying an individual's SSN using this method, the RAA must document why the other SSN documentation was not available. In the case of the homeless veteran, the RAA must accept the Certificate of Release or Discharge from Active Duty (DD 214) or the VA-verified Application for Health Benefits (10-10EZ) as verification of SSN if these forms are available; however, these forms are not required to verify SSN.

#### **6.9.2.2 Applicant Families with Children Under Six Who Lack a Social Security Number**

The RAA will provide a 90-day grace period and admit an applicant family even if the family lacks the documentation necessary to verify the SSN of a family member under the age of 6 years. An extension of one additional 90-day period will be granted if the RAA determines that, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably be foreseen and were outside of the control of the applicant, e.g., processing delay by the SSA. If the applicant does not produce the required documentation of SSN with the authorized time period, the RAA will terminate assistance for the family.

### **6.9.2.3 Addition of a New Household Member**

When the participant requests to add a new household member who is at least 6 years of age, the participant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or reexamination, in addition to the documentation required to verify it. The RAA may not add the new household member until such documentation is provided, unless the addition is a noncitizen who does not contend eligible immigration status.

When a participant requests to add a new household member who is under the age of 6 and has not yet been assigned an SSN, the participant must provide the SSN assigned to the new child and the required documentation within 90 calendar days of the child being added to the household. If the family is unable to disclose and provide evidence of the SSN within 90 calendar days, the RAA will grant the family an additional 90-day period to comply with the SSN disclosure and documentation requirement, if the RAA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period the RAA is awaiting documentation of the SSN, the child will be counted as part of the assisted household and will be entitled to all of the benefits of being a household member during the time allotted for the family to comply with the SSN disclosure and documentation requirements. Upon expiration of the time period, if the family has not complied with the SSN disclosure and documentation requirements, the RAA will terminate the family's assistance.

### **6.9.3 Documentation of Age**

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

If an official record of birth or evidence of social security retirement benefits cannot be provided, the RAA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded).

If a family asserts credibly that no form whatsoever of birth record exists for a member, then the RAA will require a self-certification detailing at minimum the reported member's full name, parent(s), precise date of birth, and actual place of birth.

If the household member is a veteran referred for a VASH voucher, the RAA may also accept the following as valid documentation of age:

- Certificate of Release or Discharge from Active Duty (DD 214)
- VA-verified Application for Health Benefits (10-10EZ)

Age must be verified only once during continuously assisted occupancy.

### **6.9.4 Family Relationships**

Applicants and program participants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in [CHAPTER 4](#).

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

#### **6.9.4.1 Marriage**

Certification by the head of household is normally sufficient verification. If the RAA has reasonable doubts about a marital relationship, the RAA will require the family to document the marriage. A marriage certificate generally is required to verify that a couple is married.

#### **6.9.4.2 Interdependent Relationship**

Two individuals certifying as having an interdependent relationship or domestic partnership will be asked to self-certify that they meet EOHLC’s definition of interdependent relationship. Additionally, the RAA will request that one or more of the items outlined below be provided to verify the existence of an interdependent relationship or domestic partnership:

- Joint bank accounts
- Shared apartment lease or mortgage
- Joint credit card(s)
- Health care proxy for one another
- Joint utility bills
- Joint car lease or car title

#### **6.9.4.3 Separation or Divorce**

Certification by the head of household is normally sufficient verification. If the RAA has reasonable doubts about a separation or divorce, the RAA will require the family to document the divorce, or separation, and if so, a certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced and a copy of a court-ordered maintenance or other court record is required to document a separation.

If no court document is available, documentation from a community-based agency will be accepted.

#### **6.9.4.4 Absence of Adult Member**

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill). Under appropriate circumstances, such as incarceration of a family member, the certification of Head of Household may be sufficient in the discretion of the RAA if the “proof of a negative” becomes as a practical matter not reasonable to obtain.

#### **6.9.4.5 Foster Children and Foster Adults**

The RAA will accept an official record from the state or local government agency responsible for the placement of the individual with the family.

### **6.9.5 Verification of Student Status**

#### **6.9.5.1 General Requirements**

EOHLC requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

- The family reports full-time student status for an adult other than the head, spouse, or co-head.
- The family reports childcare expenses to enable a family member to further his or her education.

#### **6.9.5.2 Independent Student**

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

In accordance with the verification hierarchy described in [HUD’s Verification Hierarchy](#), the RAA will determine whether the student meets the criteria of independent student by verifying:

- The individual is 24 years of age or older by December 31 of the award year.
- The individual is an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older.

- The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual’s state of legal residence.
- The individual is a veteran of the U.S. Armed Forces or is currently serving active duty for other than training purposes.
- The individual is a graduate or professional student.
- The individual is married.
- The individual has legal dependents other than a spouse.
- The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by a local educational agency homeless liaison; the director or designee of the director of a program funded under the Runaway and Homeless Youth Act, or of a program funded under Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act; or a financial aid administrator;
- The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

In addition, the RAA will verify a student’s independence from their parents to determine that the student’s parents’ income is not relevant for determining the student’s eligibility by doing all of the following:

- Review and verify previous address information to determine evidence of a separate household or verify the student meets the U.S. Department of Education’s definition of independent student.
- Review a student’s prior year income tax returns to verify the student is independent or verify the student meets the U.S. Department of Education’s definition of independent student.
- Verify income provided by a parent by requiring a written certification from the individual providing the support. Certification is also required if the parent is providing no support to the student. Financial assistance that is provided by persons not living in the unit is part of annual income, except if the student meets the Department of Education’s definition of independent student, under the definition of [Independent Student](#). Students who meet the definition of independent student under paragraphs 2, 3, or 8 under [Independent Student](#) are considered “vulnerable youth.” Such determination is all that is necessary to determine a person is an independent student for purposes of using only the student’s income for determining eligibility for Section 8 assistance.

### **6.9.6 Verification of Disability**

The RAA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The RAAs are not permitted to inquire about the nature or extent of a person’s disability [24 CFR 100.202(c)]. The RAA may not inquire about a person’s diagnosis or details of treatment for a disability or medical condition. If the RAA receives a verification document that provides such information, the RAA will not place this information in the generally accessible tenant file. Under no circumstances will the RAA request a participant’s medical record(s).

The following inquiries are not prohibited, provided these inquiries are made of all applicants, whether or not they are persons with disabilities:

- Inquiry into an applicant’s ability to meet the requirements of ownership or tenancy
- Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability

- Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability
- Inquiring whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- Inquiring whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

#### Family Members Receiving SSA Disability Benefits

Verification of the receipt of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences (if applicable) or certain income disallowances and deductions.

For family members claiming disability who receive disability benefits from the SSA, the RAA will attempt to obtain information about disability benefits through the HUD EIV system.

If documentation from HUD’s EIV system is not available, the RAA will request a current SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the RAA will ask the family to request a benefit verification letter. Once the applicant or participant receives the benefit verification letter, they will be required to provide it to the RAA.

Verification of receipt of disability benefits under the Commonwealth of Massachusetts Emergency Aid to the Elderly, Disabled, and Children (EAEDC) is sufficient verification of disability.

#### Family Members Not Receiving SSA Disability Benefits

Receipt of veteran’s disability benefits, worker’s compensation, or other non-SSA benefits based on the individual’s claimed disability are not sufficient verification that the individual meets HUD’s definition of disability in 42 USC 423.

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets or does not meet the HUD definition of disability. See

[Persons with Disabilities and Disabled Family](#) for the HUD definition of disability.

### **6.9.7 Citizenship or Eligible Immigration Status**

[24 CFR 5.508]

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for “mixed families” containing both eligible and ineligible persons. A detailed discussion of eligibility requirements is in [CHAPTER 4](#). This chapter discusses HUD and EOHLC verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen, or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual, it need not be collected or verified again during continuously assisted occupancy [24 CFR 5.508(g)(5)].

#### **6.9.7.1 U.S. Citizens and Nationals**

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless the RAA receives information indicating that an individual’s declaration may not be accurate.

### **6.9.7.2 Eligible Non-Citizens**

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance (see [Eligible Noncitizens](#)).

For family members aged 62 or older who claim to be eligible noncitizens, proof of age is required in the manner described in the [Documentation of Age](#). No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible noncitizens, the RAA must verify immigration status with the United States Citizenship and Immigration Services (USCIS).

The RAA will follow all USCIS protocols for verification of eligible immigration status.

## **6.10 VERIFICATION OF PREFERENCE STATUS**

EOHLC and the RAA will offer a preference to any family that has been terminated from its HCV program due to insufficient program funding. The RAA will verify this preference using the termination records of the RAA.

Where an applicant claims a residency preference, the RAA will verify, at the time of screening, that the head of household, co-head, and/or spouse live or work in the jurisdiction for which they are being selected for housing (see [Local Admission Preferences](#)). Verification of the residency preference will consist of documents to confirm the living address or employment of the head, co-head, and/or spouse including but not limited to:

- Driver's license
- Lease
- Utility bill
- Pay stubs
- Letter from the employer

## **6.11 VERIFYING INCOME**

[CHAPTER 6](#) of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets and income reported by the family must be verified. This part provides EOHLC policies that supplement the general verification procedures already specified in this chapter.

## **6.12 SAFE HARBOR**

When determining family income at annual reexamination, the RAA may use the annual income determinations from other accepted means-tested federal public assistance programs. This is referred to as Safe Harbor verification. This third-party form of verification must state the family size, the family composition for both programs must match (except for non-family, household members like live in aids), and the form must state the amount of the family's annual income. The annual income need not be broken down by family member or income type.

Since Safe Harbor includes income earned from assets, the RAA will neither further inquire about a family's net family assets, nor inquire about the income earned from those assets, except with respect to whether the family owns assets that exceed the asset limitation. When Safe Harbor is used, no other form of income verification can be used. The RAA are not permitted to mix and match Safe Harbor income determinations and other income verifications.

If Safe Harbor documentation cannot be obtained or the family disputes the verifying program's income determination, the RAA must calculate the family's annual income using established methods.

Acceptable programs include, but are not limited to:

- Temporary Assistance for Needy Families (TANF) block grant
- Medicaid (MassHealth)
- Supplemental Nutrition Assistance Program (SNAP)
- Earned Income Tax Credit
- Low Income Housing Tax Credit (LIHTC)
- The Special Supplemental Nutrition Program for Woman, Infants, and Children (WIC)
- Supplemental Security Income
- Other programs administered by the HUD Secretary or those for which HUD has established a memorandum of understanding

Safe Harbor documentation may be in the form of an award letter and will be considered acceptable if any of the following dates fall into the 12-month period prior to the receipt of the document by the RAA:

- Income determination effective date
- Program administrator's signature date
- Family's signature date
- Report effective date
- Other report-specific dates that verify the income determination date

## 6.13 EARNED INCOME

### 6.13.1 Employment Income

As verification of earned income, the RAA will request pay stubs according to the pay frequencies identified below. Pay stubs must be dated within 120 days of the RAA's request.

<b><u>Frequency of Pay</u></b>	<b><u>Number of Consecutive Pay Stubs</u></b>
Weekly	4
Bi-weekly	2
Monthly	2

In cases where the wage earner has been approved for unpaid intermittent leave by their employer, the RAA can request up to three months' worth of paystubs to obtain a more accurate picture of the annual income. Intermittent leave approval must be documented.

#### 6.13.1.1 Tips

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

### 6.13.2 Business and Self-Employment Income

Business owners and self-employed persons will be required to provide:

- An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.
- All schedules and attachments, including but not limited to Schedule C, completed for filing federal and local taxes in the preceding year.
- If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

The RAA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination, the RAA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three months, the RAA will accept the family member's certified estimate of income and schedule an interim reexamination in three months.

If the family member has been self-employed for three to 12 months, the RAA will require the family to provide documentation of income and expenses for this period and use that information to project income.

#### **6.14 SOCIAL SECURITY/SSI BENEFITS**

To verify the SS/SSI benefits of applicants, the RAA will request a SSA benefit verification letter dated from within the appropriate benefit year from each family member who receives Social Security benefits. If the family is unable to provide the document(s), the RAA will ask the family to request one by contacting the SSA. Once the applicant has received the benefit verification letter, they will be required to provide it to the RAA.

To verify the SS/SSI benefits of participants, the RAA will obtain information about social security/SSI benefits through the HUD EIV system. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, the RAA will request a SSA benefit verification letter dated from within the appropriate benefit year from each family member who receives social security benefits. If the family is unable to provide the document(s), the RAA will ask the family to request one by contacting the SSA. Once the participant has received the benefit verification letter, they will be required to provide it to the RAA.

#### **6.15 ALIMONY OR CHILD SUPPORT**

The RAA will verify child support or alimony using the hierarchy below:

- Printout of payment history or current benefit amount from DTA, DOR, or other state or local child support enforcement agency.
- Copy of the receipts and/or payment stubs.
- Third-party verification form from the state or local child support enforcement agency.
- Third-party verification from the person paying the support.
- Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
  - Self-certification of receipt of court-ordered child support is not acceptable.

#### **6.16 ASSETS AND INCOME FROM ASSETS**

**Pre-HOTMA Non-MTW Policy:** The RAA will obtain third-party verification of all family assets upon admitting a family to the program or adding a new household member and then again at least every three years thereafter. During the intervening annual reexaminations, the RAA will accept a family's declaration of asset value and income when the total net assets are equal to or less than \$5,000. The RAA will always follow the HUD verification hierarchy to verify assets when the net family assets exceed \$5,000.



As of the publication date, the following HOTMA regulations are temporarily suspended pending guidance from HUD. Please do not implement until further instructions are provided by EOHLC.

**Post-HOTMA Non-MTW Policy:** The RAA will accept a family's declaration of asset value and income when the total net assets are equal to or less than \$51,600. The RAA will always follow the HUD verification hierarchy to verify assets when the net family assets exceed \$51,600.



Upon implementation of this provision, the RAA will complete third-party verification of all assets. Thereafter, all households will follow the same three-year cycle for third-party verification of assets.

Whenever a family member is added, the RAA will obtain third-party verification of that family member's assets. The family will continue to follow the existing three-year cycle of verification; however, if the addition of the new household member results in the total net family assets being over \$5,000 (post-HOTMA: \$51,600), the RAA will obtain third-party verification of the family's assets at the next annual reexamination of income following the addition of that family member.

#### **MTW Policy**

The RAA will accept a self-certification of asset value and asset income when the face value of the family assets is up to \$50,000. Assets with a face value greater than \$50,000 will be subject to the verification requirements imposed under HUD regulations. See [Assets](#) for guidance on calculating asset income for MTW households.

### **6.16.1 Assets Disposed of for Less than Fair Market Value**

The RAA will verify the value of disposed assets only if:

- The RAA does not already have a reasonable estimation of its value from previously collected information
- The amount reported by the family in the certification appears obviously in error.

**Example 1:** An elderly participant reported a \$60,000 certificate of deposit at the last annual reexamination and the RAA verified this amount. Now the person reports that she has given this \$60,000 to her son. The RAA has a reasonable estimate of the value of the asset; therefore, reexamination of the value of the asset is not necessary.

**Example 2:** A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately \$55,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the RAA will verify the value of this asset.

### **6.17 NET INCOME FROM RENTAL PROPERTY**

The family must verify that the ownership of the real property is allowable for any of the reasons set forth in [Exemptions to the Real Property Limitation](#).

Once verified, the family must provide:

- A current executed lease for the property that shows the rental amount or certification from the current tenant.

- A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year.
- The most recent IRS Form 1040 with Schedule E (Rental Income). If Schedule E was not prepared, the RAA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

## 6.18 RETIREMENT ACCOUNTS

The RAA will accept written third-party documents supplied by the family as evidence of the status and disbursement schedule of retirement accounts. The type of original document that will be accepted depends upon the family member's retirement status.



Before retirement, the RAA is no longer required to factor retirement accounts into net family assets. Therefore, verification of a retirement account is no longer necessary if no disbursements are being made.

Upon retirement, the RAA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken, and any regular payments.

After retirement, the RAA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

## 6.19 INCOME FROM EXCLUDED SOURCES

A detailed discussion of excluded income is provided in [CHAPTER 6](#).

The RAA will not conduct third-party verification of fully excluded income (e.g. live-in aid income, or SNAP). Self-certification of fully excluded income will be the method for verification of fully excluded income. The application and/or reexamination questionnaire documentation may serve as the self-certification of excluded income.

An income source that is partially excluded, for example, full-time student earnings in excess of \$480, must be third-party verified and reported.

## 6.20 ZERO-INCOME STATUS

Families claiming no annual income will be required to execute verification forms to determine that certain forms of income such as public benefits (outside the realm of EIV) are not being received by the household. Receipt of SNAP benefit is not considered income for the purposes of zero-income verification, and thus families receiving SNAP with no other income will be required to verify zero-income status as described in this section and will be subject to the zero-income recertification frequency. Families with other fully excluded income and no additional income will not be considered zero-income. For example, families with only excluded full-time student wage income and/or families with only excluded wage income as a result of the Earned Income Disallowance are not considered zero-income families and are not subject to the zero-income reporting and/or verification requirements.

The RAA will accept a self-certification of zero income from the family at admission and at reexamination. Verification of TAFDC/EAEDC and SNAP will be required as additional documentation to the zero-income status. Furthermore, a zero-income worksheet, completed by the head of household will be mandatory. In calculating annual income from a zero-income worksheet, the RAA must not assign monetary value to non-monetary in-kind donations from a food bank or similar organization received by the family.

Rent or utility payments paid on behalf of the family and other cash or non-cash contributions provided on a recurring basis may be counted as income depending on the duration and circumstances.

#### Zero-Income Verification Requirements

The RAA will require the following when the household first claims zero income and at each successive regular reexamination at which the family is claiming zero income:

- Completion of a Financial Hardship/Zero-Income Worksheet.
- Completion of a zero-income self-certification by each adult household member.
- EIV check to confirm that no household member has any income.
- Third-party DTA verification to confirm that no benefits are received.
- Completion of an Asset Self-Certification form.

#### Zero-Income Optional Verification

- Completion of Minimum Rent Hardship Exemption form

#### **MTW Policy**

The family will be moved to an annual reexamination cycle rather than remaining on biennial or triennial cycles. This process will continue until the family no longer reports zero income.

## **6.21 VERIFICATION OF NONRECURRING INCOME**

Individuals reporting nonrecurring income (see [Nonrecurring Income](#)) will be subject to zero-income verification policies, except that the RAA will conduct third-party verification to confirm that the income is nonrecurring.

## **6.22 VERIFICATION OF STUDENT FINANCIAL ASSISTANCE AND FEES**

For a discussion of student financial assistance included and excluded in annual income, see [Student Financial Assistance](#).

The RAA will verify the amounts of student financial assistance by requesting student financial award documents or through written third-party verification sent to the entity providing the financial assistance.

The RAA will verify the amounts of tuition and required fees charged by the school when determining annual income. The RAA will verify those amounts using the student's bill or account statement (including an online account statement) as provided by the school's bursar's office, or by contacting the bursar's office directly. The RAA may also visit the school's website as many institutions of higher education provide an itemized list covering tuition and fees that are charged to a majority of their students on their websites.

If the RAA is unable to obtain third-party written verification of the requested information, the RAA will pursue other forms of verification following the verification hierarchy.

### **6.22.1 Verification of Parental Income of Students Subject to Eligibility Restrictions**

If the RAA is required to determine the income eligibility of a student's parents, the RAA will request an income declaration and certification of income from the appropriate parent(s) (as determined in CHAPTER 4). The RAA will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. Certification is also required if the parent is providing no support to the student. Financial assistance that is provided by persons not living in the unit is part of annual income (except if the student meets the Department of Education's definition of "independent student").

The parents will be required to submit the information directly to the RAA. The required information must be submitted (postmarked) within 15 business days of the date of the request or within any extended timeframe approved by the RAA.

The RAA reserves the right to request and review supporting documentation at any time if it questions the declaration or certification.

Supporting documentation may include, but is not limited to, Internal Revenue Service tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters, and other official and authentic documents from a federal, state, or local agency.

## **6.23 VERIFYING MANDATORY DEDUCTIONS**

### **6.23.1 Dependent and Elderly/Disabled Household Deductions**

The dependent and elderly/disabled family deductions require only that the RAA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

#### **6.23.1.1 Dependent Deduction**

See [Dependent Deduction](#) for a full discussion of this deduction. The RAA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse, or co-head of the family and is not a foster child
- Any person aged 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full-time student

#### **6.23.1.2 Elderly/Disabled Family Deduction**

See [Elderly and Near-Elderly Persons, and Elderly Family](#) and

[Persons with Disabilities and Disabled Family](#) for a definition of elderly and disabled families and [Elderly or Disabled Family Deduction](#) for a discussion of the deduction. The RAA must verify that the head, spouse, or co-head is 62 years of age or older or a person with disabilities.

### **6.23.2 Medical Expense Deduction**

Policies related to the calculation of medical expenses are found in [Health and Medical Care Expense Deduction](#). The amount of the deduction will be verified following the standard verification procedures described in [General Verification Requirements](#).

#### Amount of Expense

Medical expenses will be verified through:

- Written third-party documents provided by the family, such as pharmacy printouts or receipts.
- Written third-party verification forms, if the family is unable to provide acceptable documentation.
- Oral third-party verification if third-party verification forms are not returned by the provider.
- If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

In addition, the RAA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.

- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

#### Eligible Household

The medical expense deduction is permitted only for households in which the head, spouse, or co-head is at least 62, or a person with disabilities. The RAA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in this chapter in [Dependent and Elderly/Disabled Household Deductions](#).

#### Qualified Expenses

To be eligible for the medical expense deduction, the costs must qualify as medical expenses. See [CHAPTER 6](#) for EOHLC’s policy on what counts as a medical expense.

To be eligible for the medical expense deduction, the costs must not be reimbursed by another source. The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source.

#### Expenses Incurred in Past Years

When anticipated costs are related to ongoing payment of medical bills incurred in past years, the RAA will verify:

- The anticipated repayment schedule,
- The amounts paid in the past, and
- Whether the amounts to be repaid have been deducted from the family’s annual income in past years.

### **6.23.3 Disability Assistance Expenses**

Policies related to the calculation of disability assistance expenses are found in [Disability Assistance Expenses Deduction](#). The amount of the deduction will be verified following the standard verification procedures described in the verification requirements set forth in this chapter.

In addition, the RAA must verify that:

- The family member for whom the expense is incurred is a person with disabilities,
- The expense permits a family member, or members, to work, and
- The expense is not reimbursed from another source.

#### Amount of Expense

- **Attendant Care**  
The RAA will accept written third-party documents provided by the family. If family-provided documents are not available, the RAA will send a third-party verification form directly to the care provider requesting the needed information.
- **Auxiliary Apparatus**  
Expenses for auxiliary apparatus will be verified using written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months. See [Disability Assistance Expenses Deduction](#).

#### Eligibility for Deduction of Disability Assistance Expense

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The RAA will verify that the expense is incurred for a person with disabilities (see

[Verification of Disability](#) in this chapter).

#### Family Member(s) Permitted to Work

The RAA must verify that the expenses claimed actually enable a family member, or members (including the person with disabilities), to work. If the unreimbursed reasonable attendant care and auxiliary apparatus expense exceeds the amount earned by the person who was enabled to work, the deduction will be capped at the amount earned by that individual.

The RAA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work. This documentation may be provided by the family.

If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

#### Unreimbursed Expenses

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

### **6.23.4 Child Care Expenses**

Policies related to the calculation of childcare expenses are found in [CHAPTER 7](#). The amount of the deduction will be verified following the standard verification procedures described in [General Verification Requirements](#) of this chapter. In addition, the RAA must verify that:

- The child is eligible for care,
- The costs claimed are not reimbursed,
- The costs enable a family member to pursue an eligible activity, and
- The costs are for an allowable type of childcare and are reasonable.

#### Eligible Child

To be eligible for the childcare deduction, the costs must be incurred for the care of a child under the age of 13. Expenses incurred due to childcare of foster children are eligible for this deduction. The RAA will verify that the child being cared for (including foster children) is under the age of 13 (see [Documentation of Age](#) in this chapter).

#### Unreimbursed Expense

The family will be required to certify that the childcare expenses for all eligible children (including foster children) are not paid by or reimbursed to the family from any source.

#### Pursuing an Eligible Activity

The RAA must verify that the deduction of the unreimbursed childcare expenses enables a family member(s) to seek work, pursue education, or be gainfully employed.

- **Information to be Gathered**  
The RAA will evaluate how the schedule for the claimed activity relates to the hours of care provided and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.
- **Seeking Work**  
Whenever possible, the RAA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases, the RAA will request documentation from the agency of the member's job seeking efforts to date and require the family to submit to the RAA any reports provided to the other agency.  
  
In the event documentation is not available, the RAA will provide the family with a form on which the family member must record job search efforts. The RAA will review this information at each subsequent reexamination for which this deduction is claimed.
- **Furthering Education**  
The RAA will request third-party documentation to verify that the person permitted to further his or her education by the childcare is attending. The documentation may be provided by the family.
- **Gainful Employment**  
The RAA will seek third-party verification of the work schedule of the person who is permitted to work by the childcare. In cases in which two or more family members could be permitted to work, the employment status for all relevant family members may be verified. The documentation may be provided by the family.

#### Allowable Type of Child Care

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in [CHAPTER 6](#).

The RAA will verify that the type of childcare selected by the family is allowable.

The RAA will verify that the fees paid to the childcare provider cover only childcare costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The RAA will verify that the childcare provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

#### Reasonableness of Expenses

Only reasonable childcare costs can be deducted. The actual costs the family incurs will be evaluated by the RAA for reasonableness to ensure that the costs are allowable.

If the family presents a justification for costs that exceed typical costs in the area, the RAA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

# CHAPTER 7 : INCOME AND SUBSIDY DETERMINATIONS

## 7.1 INTRODUCTION

A family's income determines eligibility for assistance and is also used to calculate the family's payment and EOHLC's subsidy. The RAA will use the policies and methods EOHLC describes in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under the regulations.

## 7.2 ANNUAL INCOME

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.
- Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date.
- Which are not specifically excluded in 24 CFR 5.609.

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

In addition to this general definition, HUD regulations and EOHLC's MTW Plans establish policies for treating specific types of income and assets. The full texts of the regulatory portions of the regulations can be found by searching [Title 24 of the Code of Federal Regulations](#). Income policies related to EOHLC's MTW Plan can be found in this plan.

- Annual Income Inclusions (see 24 CFR 5.609(a))
- Annual Income Exclusions
  - Some common income exclusions, outlined fully in 24 CFR 5.609(b), are summarized below:
    - Earned income of children under 18 years of age.
    - Income of Live-in Aides, Foster Children and Foster Adults.
    - Nonrecurring Income.
    - Reimbursement of medical expenses.
    - Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program.
    - Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
    - 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.
    - Adoption assistance payments in excess of \$480 per adopted child.
    - Refunds or rebates on property taxes paid on the dwelling unit.
    - Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

### 7.2.1 Household Composition and Income

Income received by all family members must be counted unless specifically excluded by the regulations. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded by Person		
Person	Include	Exclude
Live-in aides	<ul style="list-style-type: none"> <li>No income is included</li> </ul>	<ul style="list-style-type: none"> <li>Exclude income from all sources</li> </ul>
Income to and/or on behalf of a foster child or foster adult	<ul style="list-style-type: none"> <li>No income is included</li> </ul>	<ul style="list-style-type: none"> <li>Exclude payments received for the care of foster children or foster adults</li> <li>Exclude earned income for foster children or foster adults</li> </ul>
Children under 18 years of age	<ul style="list-style-type: none"> <li>Include all other sources of income, except those specifically excluded by the regulations</li> </ul>	<ul style="list-style-type: none"> <li>Exclude all earned income</li> </ul>
Full-time students 18 years of age or older (not head, spouse, or co-head)	<ul style="list-style-type: none"> <li>Include the first \$480 of earned income</li> <li>Include all other sources of income, except those specifically excluded by HUD regulations</li> </ul>	<ul style="list-style-type: none"> <li>Exclude earned income above \$480/year</li> </ul>

#### 7.2.1.1 Absent Family Members

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit. EOHLC’s definition of permanently absent and temporarily absent as well as policies regarding absences due to placement in foster care, absences due to permanent confinement for medical reasons, and policies regarding absent students, an absent head, co-head, or spouse are contained in [Absent Family Members](#).

#### 7.2.1.2 Family Members Permanently Absent for Medical Reasons

When an individual who has been counted as a family member is determined permanently absent, the family is eligible for the medical expense deduction only if the remaining head, spouse, or co-head qualifies as an elderly person or a person with disabilities.

#### 7.2.1.3 Caretakers for a Child

During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income. For more information regarding the definition of caretakers for a child, see [Caretakers for a Child](#).

### 7.2.2 Determining Annual Income

[24 CFR 5.609]

The RAA counts all income **anticipated** to be received from a source outside the family during the 12-month period when determining income at:

- new admission: MTW & non-MTW participants
- interim reexamination: MTW and non-MTW participants
- regular reexamination: MTW participants



However, for non-MTW annual reexaminations, EOHLC or the RAA must use the family’s income from the preceding year.

### 7.2.3 Basis of Annual Income Projection

As part of EOHLC's MTW demonstration, the RAA generally will use current circumstances when they are required to determine projected income for the coming 12-month period. The RAA will use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) therefore the RAA believe that past income is the best available indicator of expected future income [2025 MTW Plan; 2015-1]

The RAA is required to use HUD's Enterprise Income Verification (EIV) system in its entirety as a third-party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].

The RAA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the RAA annualized projected income.

When the RAA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the RAA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the RAA to show why the historic pattern does not represent the family's anticipated income.



As of the publication date, the following HOTMA regulations are temporarily suspended pending guidance from HUD. Please do not implement until further instructions are provided by EOHLC.

### 7.2.4 Known Changes in Income

If the RAA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

**Example:** An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after the effective date of the reexamination. In such a case the PHA would calculate annual income as follows: ( $\$8/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}$ ) + ( $\$8.25 \times 40 \text{ hours} \times 45 \text{ weeks}$ ).

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases, the RAA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if EOHLC's policy on reexaminations does not require interim reexaminations for other types of changes.

### 7.2.5 Basis for Using Prior Year Income (Non-MTW)

The RAA will generally use the family's income from the preceding year when completing a non-MTW participant's annual reexamination. The RAA will review the following information to determine prior-year income:

- The EIV Income Report (which must be pulled within 120 days of the effective date of the annual reexamination to be considered current)
- The income reported on the most recent reexamination HUD-50058

- What the family certified to on the current annual reexamination paperwork for prior-year income, if available.

The RAA will take into consideration any interim reexamination of family income completed since the last annual reexamination. If an interim reexamination was performed within the reexamination cycle and there are no additional changes, the RAA may use the verification obtained from the interim reexamination for the annual reexamination.

If there are no reported changes to an income source, the RAA will use documentation of prior-year income to calculate the annual income. For example, the RAA could use the following documentation:

- EIV + self-certification (wages, Supplemental Security Income (SSI), Social Security, and unemployment)
- Current level 4 documents verifying prior-year income that are dated within the required timeframe (120 days of receipt), for example:
  - Year-end statement
  - Pay stub with year-to-date amount
  - Tax forms (Form 1040, W2, 1099, etc.)

If there were changes in annual income that were not processed since last reexamination or the RAA notes discrepancies between EIV and what the family reports, follow the verification hierarchy to document and verify current income.



## **7.3 EARNED INCOME**

### **7.3.1 Wages and Related Compensation**

The RAAs use the full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income [24 CFR 5.609(a)(1)]. Earned Income is defined as income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare assistance, Social Security, and other governmental subsidies/benefits), or any cash or in-kind benefits. [24 CFR 5.100]

For persons who regularly receive bonuses or commissions, the RAA will verify and then average amounts received for the one year preceding admission or reexamination. In addition, the family may provide, and the RAA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the RAA will count only the amount estimated by the employer.

### **7.3.2 Military Pay**

All regular pay, special pay, and allowances of a member of the Armed Forces are counted, except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(b)(11)].

### **7.3.3 Business Income**

Annual income includes “the net income from the operation of a business or profession.” Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent

the withdrawal is reimbursement of cash or assets invested in the operation by the family” [24 CFR 5.609(b)(28)(i)(ii)].

#### Business Expenses

Net income is gross income less business expense.

To determine business expenses that may be deducted from gross income, the RAA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses, unless a topic is addressed by HUD regulations or guidance as described below.

#### Business Expansion

HUD regulations do not permit the RAA to deduct from gross income expenses for business expansion.

Business expansion is defined as any capital expenditure made to add new business activities, to expand current facilities, or to operate the business in additional locations.

**For Example:** purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

#### Capital Indebtedness

HUD regulations do not permit the RAA to deduct from the gross income the amortization of capital indebtedness.

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the RAA will allow as a business expense interest, but not principal, paid on capital indebtedness.

#### Negative Business Income

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

#### Withdrawal of Cash or Assets from a Business

HUD regulations require the RAA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family. Acceptable investments in a business include cash loans and contributions of assets or equipment.

**For Example,** if a member of an assisted family provided an up-front loan of \$2,000 to help a business get started, the RAA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

#### Co-owned Businesses

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family’s share of the income is lower than its share of ownership, the family must document the reasons for the difference.

### 7.3.4 Pilot Program for Earned Income Exclusion for Working Families

#### MTW Policy

In February 2023, in response to current inflationary trends and to the economic impact of the COVID-19 pandemic, EOHLC implemented an earned income exclusion for working families. In families who had earned income, EOHLC provided up to \$5,000 as an earned income exclusion for a two-year period. If the total earned income was less than \$5,000, all earned income would be excluded.

On September 12, 2024, EOHLC announced the discontinuation of this pilot program. On March 10, 2025, EOHLC updated the guidance, instructing RAAs to remove the deduction for any family still receiving the deduction at the family's next transaction (of any type) effective May 1, 2025, or later. Note that if a family reaches the 24-month limit before another transaction occurs, RAAs should process an interim reexam at the deduction end date.

### 7.3.5 Income Not Counted in Annual Income

Certain elements of earned income are not counted in the calculation of annual income. The next section includes the types of earned income which are excluded from the calculation of annual income. Additionally, HUD identified further income exclusions in Sections 102 and 104 of HOTMA which must be used when processing reexaminations beginning with July 1, 2025, transactions. These can be found in [CHAPTER 31: INCOME EXCLUSION ADDENDUM](#).

#### 7.3.5.1 Nonrecurring Income (formerly Temporary, Nonrecurring or Sporadic Income)

[24 CFR 5.609(b)(24)]

The nonrecurring income exclusion replaces the former exclusion for temporary, nonrecurring, and sporadic income (including gifts).

Income that will not be repeated beyond the coming year (i.e., the 12 months following the effective date of the certification), based on information provided by the family, is considered nonrecurring income and is excluded from annual income. However, income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under 5.609(b)(24), even if the source, date, or amount of the income varies.

Income that has a discrete end date and will not be repeated beyond the coming year during the family's upcoming annual reexamination period will be excluded from a family's annual income as nonrecurring income. This does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that can be extended.

**For Example:** an increasing number of cities and states are piloting guaranteed income 77 programs that have discrete beginning and end dates. This income can be excluded as nonrecurring in the final year of the pilot program. For example, for an annual reexamination effective 2/1/2024, guaranteed income that will be repeated in the coming year but will end before the next reexamination on 2/1/2025 will be fully excluded from annual income.

Income amounts excluded under this category may include, but are not limited to, nonrecurring payments made to the family or to a third party on behalf of the family to assist with utilities, eviction prevention, security deposits to secure housing, payments for participation in research studies depending on the duration, and general one-time payments received by or on behalf of the family.

The following list of exclusions is codified at 24 CFR 5.609(b)(24) as nonrecurring income. Please note that the list is not exhaustive:

- Payments from the U.S. Census Bureau for employment lasting no longer than 180 days and not culminating in permanent employment.

- Direct federal or state economic stimulus payments.
- Amounts directly received by the family as a result of state refundable tax credits or state tax refunds at the time they are received.
- Amounts directly received by the family as a result of federal refundable tax credits or federal tax refunds at the time they are received.
- Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding, baby shower, or anniversary gifts).
- In-kind donations (e.g., food, clothing, or toiletries received from a food bank or similar organization).
- Lump-sum additions to net family assets (e.g., lottery winnings, contest winnings, etc.). EOHLC or the RAA may accept a self-certification from the family stating that the income will not be repeated in the coming year.

### **7.3.5.2 Seasonal Income Calculation**

A seasonal worker is defined as an individual who is: 1) hired into a short-term position (e.g., for which the customary employment period for the position is 6 months or fewer); and 2) the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the employer or industry.

People in some occupations regularly work less than 12 months per year, i.e., school employees, agricultural workers, and construction workers. To determine annual income for individuals who have seasonal income, the RAA will use past actual income received or earned within the last 12 months of the determination date. Therefore, interim reexaminations will not be completed when circumstances change. Documentation may include, but is not limited to UIV, EIV, W-2 forms, and tax returns

**For Example:** Mary is a teacher with the ABC school district, earning \$2,000 per month. She works for nine months a year. At the time of her regular reexamination Mary is not working. The RAA runs an EIV income report which has the actual income earned for the prior year. The EIV income report shows income of \$24,053 for the prior year. Mary received \$20,000 for her job as a teacher and collected \$4,053 in unemployment the prior year. The RAA would use \$24,053 as her income for the upcoming certification.

### **7.3.5.3 Children’s Earnings**

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income [24 CFR 5.609(b)(3), (4)]. (See [CHAPTER 4](#) on [Eligibility and Foster Children and Foster Adults](#) for the definition of a foster child.)

### **7.3.5.4 Earned Income of Full-Time Students**

For both MTW and non-MTW families, earnings in excess of \$480 for each dependent full-time student 18 years old or older (except for the head, spouse, or co-head) are not counted [24 CFR 5.609(b)(14)].

To be classified as “full-time,” students must enroll in a class load defined as “full-time” by their educational institution offering a degree or certificate program.

HUD will reevaluate this allowance annually (or when announced by HUD). EOHLC will update with the software vendor.

### **7.3.5.5 Earned Income from State and Local Employment Training Programs**

Incremental earnings and benefits to any family member resulting 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 from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals

and objectives and are excluded only for the period during which the family member participates in the training program [24 CFR 5.609(b)(12)(iv)].

EOHLC defines training program as a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency.

Training may include but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education.

EOHLC defines incremental earnings and benefits as the difference between: (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program, and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program.

In calculating the incremental difference, the RAA will use as the pre-enrollment income the total annualized amount of the family member's welfare assistance and earnings reported on the family's most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with EOHLC's interim reporting requirements.

#### **7.3.5.6 Earned Income from HUD-Funded Training Programs**

Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(b)(12)(iv)] are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

To qualify as a training program, the program must meet the definition of training program provided above for state and local employment training programs.

#### **7.3.5.7 Earned Income Tax Credit**

Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 USC 32), are excluded from annual income [24 CFR 5.609(b)(24)(iv)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee's payroll check.

#### **7.3.5.8 Income of a Live-In Aide**

Income received by a live-in aide, as defined in [24 CFR 5.403 and 5.603], is not included in annual income [24 CFR 5.609(b)(8)] (see [CHAPTER 4](#) for a full discussion of live-in aides).

#### **7.3.5.9 Federal Income Exclusions**

Income from some federal programs is specifically excluded from consideration as income. The following are the most common federal income exclusions. For a full list, see [Federally Mandated Exclusions from Income](#).

- Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 USC 5044(f)(1))
- Awards under the federal work-study program (20 USC 1087uu)
- Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 USC 3056g)
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 USC 12637(d))

#### **7.3.5.10 Resident Service Stipend**

Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed \$200 per individual per month) received by a resident for performing a service for EOHLC or the RAA or property owner, 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, lawn maintenance, resident initiatives coordination, and serving as a member of EOHLC's or the RAA's governing board. No resident may receive more than one such stipend during the same period of time.

## 7.4 EARNED INCOME DISALLOWANCE

The Earned Income Disallowance (EID) benefit is expiring for all MTW and non-MTW programs effective January 1, 2026. The EID allowed eligible families to have a portion of their earned income excluded from annual income for a maximum period of 24 consecutive months. For a family to have been eligible for this disallowance, an action (e.g. move, interim, regular recertification), would have had to occur by December 31, 2023. The families who were already receiving this benefit at the time of the deadline may continue to receive the full benefit for up to the entire 24 months. No family will still be receiving the EID benefit after December 31, 2025.

## 7.5 ASSETS

[24 CFR 5.609(a)(2); 24 CFR 5.603(b); 24 CFR 5.618]

This section discusses new asset limitations and how the income from various types of assets is determined. For most types of assets, the RAA must determine the value of the asset in order to compute income from the asset.



As of the publication date, the following HOTMA regulations are temporarily suspended pending guidance from HUD. Please do not implement until further instructions are provided by EOHLC.

### 7.5.1 Asset Limitation

A family is out of compliance with the asset limitation if they have either of the following:

- The family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell (based on laws of the state or locality in which the property is located), real property that is suitable for occupancy by the family as a residence.
- Updated net family assets exceed \$103,200 (CY 25; adjusted annually for inflation)

The RAA must deny admission of an applicant if they are determined to not meet the requirements of the asset limitation.

When applying the asset limitation at annual and interim reexamination, EOHLC has adopted a policy of limited enforcement. This option gives a household a period of not more than six months to cure the noncompliance with asset the limitation policy.

#### 7.5.1.1 Real Property Asset Limitation

In Massachusetts, real property includes all open-space land, residential, commercial, and industrial property, and all buildings and other things thereon or affixed thereto.

If a family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell a property that is suitable for occupancy by the family as a residence, then this must be considered an asset.

When a family declares present ownership in real property, the RAA must determine whether the property qualifies for an exemption.



#### 7.5.1.2 Exemptions to the Real Property Limitation

- Any property for which the family is receiving assistance under 24 CFR 982.620

- Manufactured home owned by the family who receives assistance to lease the space or lot it is located on. The value of which is also excluded from net family assets.
- A property owned by the family who receives assistance under the Section 8 Homeownership Program. (Not offered by EOHLC at this time) The value of which is also excluded from net family assets.
  - Any property jointly owned by a family member and another individual who does not live with the family but who resides at the jointly owned property.
  - Any property owned by a family that includes a person who is a victim of domestic violence, dating violence, sexual assault, or stalking as defined in 24 CFR Part 5 (Subpart L)
  - Any property that the family is offering for sale.
- When a family owns a property that legally they are unable to reside in.
  - e.g. The family owns a convenience store or retail space which cannot be occupied as a place of residence.
- When a family does not have legal authority to sell the real property in question.
  - e.g. When an individual is in divorce proceedings or when property ownership is being contested in the courts.
- When the property is not considered suitable for occupancy
  - The property is not capable of meeting the family’s disability-related needs or the property is not sufficient for the size of the family.
  - The property is geographically located so it creates a hardship for the family.
    - Commute time is 75 minutes or more and/or is otherwise inaccessible by public transportation (defined as more than 3 transfers or 3 modes of transportation - i.e. car, bus and train)
  - The property is not safe to reside in because of its physical condition.
  - The family does not have the legal right to reside in the property.



### 7.5.1.3 Net Family Asset Limitation

Net family assets are the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment.

The RAA may accept a family’s self-certification of net family assets equal to or less than \$51,600. HOTMA has added numerous new asset exclusions that the RAA will have to use when determining net family asset income when a family self-report they have assets over \$51,600 or assets that exceed the \$103,200 Asset Limitation.

The RAA must include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received. (See 7.5.10 [Assets Disposed of for Less than Fair Market Value](#))

The cash value of real property or other assets with negative equity would be considered \$0. However, not excluding the property from net family assets as having negative equity doesn’t prohibit the family from selling the property. The proceeds of which would be counted toward the net family asset.

If a business entity (e.g. an LLC or LP) owns the asset, then the family’s asset is their ownership stake in the business – not some portion of the business’s assets.

If the family holds the asset in their own name (e.g. they own 1/3 of a restaurant), then the percentage value of the asset (1/3) is what is counted.

Assets jointly owned by the family and individual(s) outside the assisted family must be counted unless the family can demonstrate that the asset is inaccessible to them. Or, if the family demonstrates they can only access a portion of an asset, then that portion is the only value that shall be counted.

If an individual is a beneficiary who is entitled to access the account's funds only upon the death of the account's owner, and may not otherwise withdraw funds from an account, then the account is not an asset to the assisted family, and the family should provide proper documentation demonstrating that they are only a beneficiary on the account.



#### 7.5.1.4 Exclusions from Net Family Asset

<b>Item Excluded</b>	<b>Exclusion</b>
<b>Real Property</b>	The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located
<b>Real Property</b>	Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR Part 982.625
<b>Manufactured Homes</b>	Equity in a manufactured home where the family receives assistance under 24 CFR Part 982.620
<b>Indian Trust Land</b>	The value of any interests in Indian trust land
<b>Necessary Personal Property</b>	The combined value of necessary personal property
<b>Non-Necessary Personal Property</b>	The combined value of non-necessary personal property which does not exceed \$51,600
<b>Civil Action Recoveries or Settlements</b>	Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family being a person with disabilities. All amounts are excluded irrespective of the payment type (periodic or lump sum).
<b>Qualified Tuition Accounts</b>	The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986; the value of any qualified tuition program under section 529 of such Code; and the amounts in, contributions to, and distributions from any Achieving a Better Life Experience (ABLE) account authorized under section 529A of such code.
<b>"Baby Bond" Accounts</b>	The value of any "baby bond" account created, authorized, or funded by the federal, state, or local government (money held in trust by the government for children until they are adults).
<b>FSS Accounts</b>	The value of any Family Self-Sufficiency Accounts

<b>Retirement Plans</b>	The value of any account under a retirement plan recognized as such by the IRS.
<b>Federal Tax Refunds/ Refund Tax Credits</b>	Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.
<b>Irrevocable Trust</b>	The full amount of assets held in an irrevocable trust.
<b>Revocable Trust</b>	The full amount of assets held in a revocable trust where a member of the family is the beneficiary, but the grantor/owner and trustee of the trust is not a member of the participant family or household.
<b>Life Insurance</b>	The value of term life insurance, which has no cash value to the individual before death.
<b>Jointly Held Asset</b>	All or part of a jointly held asset where the family can demonstrate that the asset is inaccessible to them or only partly accessible to them.
<b>Payable on Death (POD) or Transfer on Death (TOD) bank accounts</b>	The value of an account where a family member is the beneficiary of the account upon the death of the owner of the account (who resides outside the family) and the owner is currently living.

## **7.5.2 Income from Assets** ■

The RAA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset.

Anytime current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the RAA to show why the asset income determination does not represent the family's anticipated asset income.

Actual income from assets is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets unless that income is specifically excluded. Income or returns from assets are generally considered to be interest, dividend payments, and other actual income earned on the asset, and not the increase in market value of the asset. The increase in market value is relevant to the cash value of the asset for the purpose of determining total net-family assets and imputing income.

### **7.5.3 Asset Income Exclusion**

In some cases, amounts that are excluded from net family assets may be included as annual income when disbursements are made to a family from an asset. In other cases, amounts are excluded from annual income as a lump-sum addition to net family assets, but those funds are then considered a net family asset if held in an account or other investment that is considered part of net family assets.

#### **MTW Policy**

When family assets are valued at \$50,000 or less, EOHLC will exclude the income from these assets.

### **7.5.4 Valuing Assets**

The calculation of asset income sometimes requires the RAA to make a distinction between an asset's market value and its cash value.

- **Market Value of an Asset:** The market value of an asset is its worth (e.g., the amount a buyer would pay for real estate or the balance in an investment account).
- **Cash Value of an Asset:** The cash value of an asset is its market value less all reasonable costs that would be incurred when converting the asset to cash. Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions.

### 7.5.5 Lump-Sum Receipts

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account). (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see [Periodic Payments](#) and [Payments in Lieu of Earnings](#).)

### 7.5.6 Imputing Income from Assets

[24 CFR 5.609(a)(2)]

Imputed income from assets is calculated by multiplying the total cash value of all family assets by the HUD provided passbook savings rate.

HUD will annually publish a passbook rate based on the Federal Deposit Insurance Corporation (FDIC) National Deposit Rate for savings accounts, which is an average of national savings rates published on a monthly basis. The HUD-published passbook rate will be posted to a dataset on the HUD User Web site, alongside annual inflationary adjustments. To determine the passbook rate for the next calendar year, HUD will average the most recent three months of FDIC updates to the National Deposit Rate for savings accounts, rounded to the nearest hundredth of 1 percent. In order to ensure updated passbook rates may be used for reexaminations with an effective date of January 1, HUD will calculate the update in July each year, using FDIC data from April, May, and June for publication on HUD User not later than September 1. For 2025, the HUD passbook rate will be 0.45 percent. See [HUD Inflationary Adjustments](#).



As of the publication date, the following HOTMA regulations are temporarily suspended pending guidance from HUD. Please do not implement until further instructions are provided by EOHLC.

**Non-MTW Policy:** When the family has net family assets in excess of \$51,600, the RAA will include in annual income the actual income from an asset unless the actual asset income cannot be calculated for the specific asset.

Imputed asset income is calculated by multiplying the net cash value of the asset, after deducting reasonable costs that would be incurred in disposing of the asset, by the HUD-published passbook rate. If the actual income from assets can be computed for some assets but not all assets, then the RAA must add up the actual income from the assets, where actual income can be calculated, then calculate the imputed income for the assets where actual income could not be calculated. After both the actual income and imputed income have been calculated, the housing representative must combine both amounts to account for income on net family assets with a combined value of over \$51,600.

When the family's net family assets do not exceed \$51,600 (as adjusted for inflation), imputed income is not calculated. Imputed asset income is never calculated on assets that are excluded from net family assets. When actual income for an asset — which can equal \$0 — can be calculated, imputed income is not calculated for that asset.



#### MTW Policy

When market/face value of family assets are in excess of \$50,000, the RAA will calculate asset income by taking the market/face value of assets and multiplying that value by the HUD approved passbook savings rate. The current 2025 HUD passbook rate is 0.45%. This will be adjusted for inflation and posted annually by HUD.

### 7.5.7 Determining Actual Anticipated Income from Assets

**Non-MTW Policy:** It may or may not be necessary to use the value of an asset to compute the actual anticipated income from the asset. When the value is required to compute the anticipated income from an asset, the market value of the asset is used.

For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property's market value. However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.

### 7.5.8 Withdrawal of Cash or Liquidation of Investments

Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement fund.

### 7.5.9 Jointly Owned Assets

[24 CFR 5.618]

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

If an asset is owned by more than one person and any family member has unrestricted access to the asset, the RAA will count the full value of the asset unless the family presents evidence that the asset is not effectively owned by the family member. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

An asset is not effectively owned by a family member when (1) the asset and any income it earns accrue to the benefit of someone else who is not a member of the family and (2) that other person is responsible for income taxes incurred on income generated by the asset.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the RAA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the RAA will prorate the asset evenly among all owners.

### 7.5.10 Assets Disposed of for Less than Fair Market Value

[24 CFR 5.603(b)]



HUD regulations require the RAA to include the value in excess of what was received in compensation for business or family assets disposed of for less than fair market value during the two years preceding the application or reexamination.

When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual reexaminations, the family may request an interim reexamination to eliminate consideration of the asset(s).

Assets placed by the family in non-revocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

#### 7.5.10.1 Family Declaration of Assets Disposed of Less than Fair Market Value

**Non-MTW Policy:** Families must sign a declaration form at initial certification and each regular reexamination identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. The RAA may verify the value of the assets disposed of if other information available to the RAA does not appear to agree with the information reported by the family.

#### **MTW Policy**

Families must complete the Asset Self-Certification section at initial certification and each subsequent reexamination. If the value of the family's assets is more than \$50,000, the family must identify each asset and the income derived from that asset. The RAA will conduct third-party verification on all assets when the combined family assets are in excess of \$50,000.

#### **7.5.10.2 Assets Disposed of Less than Fair Market Value in Foreclosure or Bankruptcy**

Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale.

#### **7.5.11 Assets in Separation or Divorce**

All assets disposed of as part of a separation or divorce settlement will not be considered to be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

#### **7.5.12 Checking and Savings Accounts**

For regular checking accounts and savings accounts, cash value has the same meaning as market value. If a checking account does not bear interest, the anticipated income from the account is zero.

- In determining the value of a checking account, the RAA will use the average monthly balance for the last three months.
- In determining the value of a savings account, the RAA will use the current balance.
- In determining the anticipated income from an interest-bearing checking or savings account, the RAA will multiply the value of the account by the current rate of interest paid on the account.

#### **7.5.13 Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds**

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

In determining the market value of an investment account, the RAA will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings).

When the anticipated rate of return is not known (e.g., stocks), the RAA will calculate asset income based on the earnings for the most recent reporting period.

#### **7.5.14 Equity in Real Property or Other Capital Investments**

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset.

Equity in allowable real property and other capital investments is considered in the calculation of asset income except for the following types of assets:

- Equity accounts in HUD homeownership programs
- Equity in a manufactured home where the family receives assistance under 24 CFR Part 982.
- Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR Part 982.
- The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located. Examples of this include but are not limited to co-ownership situations (including situations where one owner is a victim of domestic violence), where one party cannot unilaterally sell the real property; property that is tied up in litigation; inherited property in dispute.
- Interests in Indian Trust lands
- Real property and capital assets that are part of an active business or farming operation

A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero. In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless the PHA determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

### **7.5.15 Trusts**

24 CFR 5.609(b)(2)

A trust is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

- **Revocable trusts:** If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.
- **Non-revocable trusts:** In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt (e.g. in the case of a special needs (Supplemental Needs) trust), as appropriate [24 CFR 5.609(b)(2)] (see [Periodic Payments](#) and [Lump-Sum Payments for the Delayed Start of a Periodic Payment](#) discussed in this chapter).

Table 7.5.15-1

Trust Type	Is the trust considered a net family asset?	Is the actual interest earned by the trust considered family income?	Are distributions of trust principal considered family income?	Are distributions of interest earned on the trust principal considered family income?
<b>Revocable:</b> Grantor is not part of the assisted family or household (and the family or household is not otherwise in control of the trust)	No	No	No	Yes, unless the distributions are used to pay for the health and medical expenses for a minor
<b>Revocable:</b> Grantor is part of the assisted family or household (or the trust is otherwise under the control of the family or household)	Yes	Yes	No	No
<b>Irrevocable:</b> (Typically, Special Needs Trusts are irrevocable.)	No	No	No	Yes, unless the distributions are used to pay for the health and medical expenses for a minor

### 7.5.16 Retirement Accounts

The value of any account under a retirement plan recognized as such by the Internal Revenue Service, including Individual Retirement Accounts (IRAs), employer retirement plans (e.g., 401(k), 403(b)), and retirement plans for self-employed individuals are excluded from Net Family Assets. However, the distribution of period payments from such accounts will be considered income at the time it is received by the family.

In some circumstances, the family may transfer funds into a retirement plan recognized as such by the Internal Revenue Service if the account is held by a member of the family. An asset moved to a retirement account held by a member of the family is not considered an asset disposed of for less than fair market value.

### 7.5.17 Federal Tax Refunds or Refundable Tax Credits

All amounts received by a family in the form of federal tax refunds or refundable tax credits are excluded from a family's net family assets for a period of 12 months after receipt by the family. At the time of an annual or interim reexamination of income, if the federal tax refund was received during the 12 months preceding the effective date of the reexamination, then the amount of the refund that was received by the family is subtracted from the total value of net family assets. When the subtraction results in a negative number, then net family assets are considered \$0.

The anticipated income earned by the assets in which a family has deposited their federal tax refund or refundable tax credits must be included in the family's annual income unless the income is specifically excluded under 24 CFR 5.609(b).

The RAA is only required to verify the amount of the family's tax refund or refundable tax credits if the family's net assets are greater than \$51,600.

#### MTW Policy

EOHLC will not require households to verify the amount of their federal tax refund or refundable tax credits, regardless of the total amount of family net assets.

### **7.5.18 Non-Necessary and Necessary Personal Property**

Non-Necessary personal property is property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., and when the combined value of this is greater than \$50,000 (MTW) or \$5,000 (non-MTW) it is considered part of net family assets. When the combined value of all non-necessary personal property does not exceed \$50,000 (MTW) or \$5,000 (non-MTW) it is excluded from net family assets.

Necessary items of personal property are not considered assets [24 CFR 5.603(b)]. Necessary personal property are items essential to the family and consist of items such as clothing, furniture, household furnishings, jewelry that are not held as an investment, and vehicles, including those specially equipped for persons with disabilities.

In determining the value of personal property held as an investment, the RAA will use the family's estimate of the value. However, the RAA also may obtain an appraisal if appropriate to confirm the value of the asset. The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal.

Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

### **7.5.19 Life Insurance**

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets.

The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

## **7.6 PERIODIC PAYMENTS**

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

### **7.6.1 Periodic Payments Included in Annual Income**

Periodic payments are payments from sources such as social security, unemployment, and welfare assistance, annuities, and pensions. However, periodic payments from any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals are not included; except that any distribution of periodic payments from such accounts shall be income at the time they are received by the family. [24 CFR 5.609(a)(1) and 24 CFR 5.609 (b)(26)].

Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum.

### **7.6.2 Lump-Sum Payments for the Delayed Start of a Periodic Payment**

Most lump sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income [CFR 5.609(b)(16)]. Additionally, any deferred disability benefits that are received in a lump sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income.

When a delayed-start payment is received and reported during the period in which the RAA is processing a regular reexamination, the RAA will adjust the family share and subsidy amount retroactively for the period the payment was intended to cover. The family may pay in full any amount due or request to enter into a repayment agreement with the RAA.

### **7.6.3 Treatment of Overpayment Deductions from Social Security Benefits**

The RAA must make a special calculation of annual income when the Social Security Administration (SSA) overpays and individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, the RAA must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount.

### **7.6.4 Periodic Payments Excluded from Annual Income**

- The RAA will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency. Kinship guardianship assistance payments (Kin-GAP) and other similar guardianship payments are treated the same as foster care payments and are likewise excluded from annual income.
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
- Amounts received under the Low-Income Home Energy Assistance Program.
- Amounts received under the Child Care and Development Block Grant Act of 1990.
- Earned Income Tax Credit (EITC) refund payments. Note: EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.
- Lump sums received as a result of delays in processing Social Security and SSI payments.
- Lump-sums or prospective monthly amounts received as deferred disability benefits from the Department of Veterans Affairs (VA).

## **7.7 PAYMENTS IN LIEU OF EARNINGS**

Payments in lieu of earnings, such as unemployment and disability compensation, and severance pay, are counted as income if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)]. (See also [Periodic Payments](#)).

### **7.7.1 Workers' Compensation**

Workers' compensation payments, regardless of the length or frequency of the payments, are always excluded from annual income.

## **7.8 WELFARE ASSISTANCE**

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)].

### **7.8.1 Sanctions Resulting in the Reduction of Welfare Benefits**

The RAA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The requirements are summarized below (see 24 CFR 5.615 for the full text of the regulation). This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed.

### **7.8.2 Covered Families**

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a state or other public agency (‘welfare agency’) under a program for which federal, state or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)].

### **7.8.3 Imputed Income**

24 CFR 5.615(c)

When a welfare agency imposes a sanction that reduces a family’s welfare income because the family commits fraud or fails to comply with the agency’s economic self-sufficiency program or work activities requirement, the RAA must include in annual income “imputed” welfare income. The RAA must request that the welfare agency inform the RAA when the benefits of an HCV participant family are reduced. The imputed income is the amount the family would have received if the family had not been sanctioned.

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

#### **7.8.3.1 Offsets**

The amount of the imputed income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

## **7.9 ALIMONY AND CHILD SUPPORT**

The RAA must count alimony or child support amounts awarded as part of a divorce or separation agreement. To determine income from child support and alimony, the RAA will count only amounts that are actually being paid to the family.

## **7.10 REGULAR CONTRIBUTIONS OR GIFTS**

The RAA must count as income both monetary and non-monetary contributions or gifts from persons not residing with an assisted family [24 CFR 5.609(b)(24)(vi)]. Nonrecurring income and gifts are not counted [24 CFR 5.609(b)(24)].

Examples of regular contributions include: (1) regular payment of a family’s bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) “in-kind” contributions such as groceries and clothing provided to a family on a regular basis. In-kind donation from food banks and similar assistance programs are not considered in this valuation.

Non-monetary contributions will be valued at the cost of purchasing the items, as determined by the PHA. For contributions that may vary from month to month (e.g., utility payments), the RAA will include an average amount based upon past history.

## **7.11 STUDENT FINANCIAL ASSISTANCE**

[24 CFR 5.609(b)(9)]

The RAA will include amounts of financial assistance an individual receives in excess of tuition and other required fees and charges when determining annual income. The RAA will verify tuition and fees according to its verification policies at [Verification of Student Financial Assistance and Fees](#).

The Department of Education defines tuition as the amount of money charged to students for instructional services which may be charged per term, per course, or per credit. These values represent what a typical student would be charged and may not be the same for all students at an institution.

If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an entire academic year is used to estimate average tuition.

Required fees include all fixed sum charges that are required of a large proportion of all students. The student who does not pay the charges is an exception. Examples of required fees include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).

Expenses related to attending an institution of higher education must not be included as tuition. Examples of these expenses include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed sum charges.

**Example:**

Kim, a 22-year-old married, participant in an HCV program is enrolled in a nursing program at her local community college. She is receiving \$7,000 in financial assistance to cover the full cost of tuition and fees of \$6,000 for the academic year. The \$6,000 includes:

- \$2,500 in tuition per semester (total \$5,000) *plus*
- \$500 in individual fees (total \$1,000) – athletic fee, writing laboratory fee, student center fee, science laboratory fee, technology fee – charged to every student per semester.

In this example, the excess \$1,000 (\$7,000 - \$6,000) Kim received in financial assistance will be included in her annual income in accordance with 24 CFR 5.609(b)(9).

### **7.11.1 Student Financial Assistance Included in Annual Income**

[24 CFR 5.609(b)(9)]

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined in [20 USC § 1001](#) and [1002](#).
- They are seeking or receiving Section 8 assistance on their own, that is apart from their parents, through the HCV program, the project-based certificate program, the project-based voucher program, or the moderate rehabilitation program.
- They are under 24 years of age OR they have no dependent children.

For students who satisfy these three conditions, any financial assistance in excess of tuition, and other required fees received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined in [20 USC § 1001](#) and [1002](#), must be included in annual income.

To determine annual income in accordance with the above requirements, the RAA will use the definitions of dependent child, institution of higher education, and parents in [CHAPTER 4](#), along with the following definitions:

- Assistance under the Higher Education Act of 1965 includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs.
- Assistance from private sources means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit.

### **7.11.2 Student Financial Assistance Excluded from Annual Income**

[24 CFR 5.609(b)(9)(ii)(B)]

Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(b)(9)(ii)(B), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:

- Students residing with parents who are seeking or receiving Section 8 assistance
- Students who are enrolled in an educational institution that does not meet the 1965 HEA definition of institution of higher education
- Students who are over 23 **and** have at least one dependent child, as defined in [CHAPTER 4](#)
- Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA

## 7.12 ADJUSTED INCOME

HUD regulations require the RAA to deduct from annual income certain mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income.


### 7.12.1 Anticipating Expenses

Generally, the RAA will use current circumstances to anticipate expenses and determine adjusted income. When possible, for costs that are expected to fluctuate during the year (e.g., childcare during school and non-school periods and cyclical medical expenses), the RAA will estimate costs based on historic data and known future costs.

### 7.12.2 Dependent Deduction

A deduction of \$480 is taken for each dependent [24 CFR 5.611(a)(1)]. Dependent is defined as any family member other than the head, spouse, or co-head who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b) and 24 CFR 5.403].


### 7.12.3 Elderly or Disabled Family Deduction

 A single deduction of \$525 is taken for any elderly or disabled family [24 CFR 5.611(a)(2)]. An elderly family is a family whose head, spouse, co-head, or sole member is 62 years of age or older, and a disabled family is a family whose head, spouse, co-head, or sole member is a person with disabilities (defined at [24 CFR 5.403](#)).

#### MTW Policy

• The Elderly/Disabled Household Deduction will increase to \$650 for MTW families with the exception of the following programs which are utilizing the MTW flexibilities. These will continue to use the HUD specified rate of \$400 due to HUD software constraints.

- VASH
- MS5
- MS 2018
- FUP
- Stability
- EHV.

-  →
- The Medical/Disability Expense Deductions will follow HOTMA guidelines, using a 10% threshold.
  - The Dependent Deduction continues to be \$480 for each dependent as defined in Section [7.12.2](#).
  - Childcare Expense Deductions will continue to be deducted from income with proper verification.

The RAA may consider an exception to the MTW deduction policies on a case-by-case basis for families whose overall expenses (medical and/or childcare) exceed \$5,000 and who can demonstrate a long-term hardship that will result from the application of the policies to them. EOHLC may reevaluate and modify these amounts and policies periodically as needed.

### 7.12.4 Health and Medical Care Expense Deduction

[24 CFR 5.611(a)(3)(i)]



Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed 10% of annual income.

The medical expense deduction is permitted only for families in which the head, spouse, or co-head is at least 62 or is a person with disabilities. If a family is eligible for a health and medical care expense deduction, the medical expenses of all family members are counted.

Definition of Health and Medical Care Expenses

**Non-MTW Policy:**

Health and medical care expenses include costs incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed, and that are not covered by insurance [24 CFR 5.603(b)].

The most current IRS Publication 502, Medical and Dental Expenses, will be used to determine the costs that qualify as medical expenses. Over-the-counter products will not be eligible for deductions as medical expenses unless they are accompanied by a doctor’s prescription.

<b>SUMMARY OF ALLOWABLE MEDICAL EXPENSES FROM IRS PUBLICATION 502</b>	
<ul style="list-style-type: none"> <li>• Services of medical professionals</li> <li>• Surgery and medical procedures that are necessary, legal, non-cosmetic</li> <li>• Services of medical facilities</li> <li>• Hospitalization, long-term care, and in-home nursing services</li> <li>• Prescription medicines and insulin, but not nonprescription medicines even if recommended by a doctor</li> <li>• Improvements to housing directly related to medical needs (e.g., ramps for a wheelchair, handrails)</li> <li>• Substance abuse treatment programs</li> <li>• Psychiatric treatment</li> </ul>	<ul style="list-style-type: none"> <li>• Ambulance services and some costs of transportation related to medical expenses</li> <li>• The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)</li> <li>• Cost and continuing care of necessary service animals</li> <li>• Medical insurance premiums or the cost of a health maintenance organization (HMO)</li> <li>• Amounts paid for the prevention and alleviation of dental disease</li> </ul>
<p>Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.</p>	


Families That Qualify for Both Medical and Disability Assistance Expenses

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the RAA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

**7.12.5 Disability Assistance Expenses Deduction**

[24 CFR 5.603(b); 24 CFR 5.611(a)(3)(ii)]

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they:

- Are necessary to enable a family member 18 years or older to work.
- Are not paid to a family member or reimbursed by an outside source.
-  • In combination with any medical expenses, exceed 10% of annual income.
- Do not exceed the earned income received by the family member who is enabled to work.

#### Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, the RAA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When the RAA determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members’ incomes.

#### Eligible Disability Expenses

- **Eligible Auxiliary Apparatus**

Auxiliary apparatus items can include, for example, expenses for wheelchairs, ramps, adaptations to vehicles, guide dogs, assistance animals, or special equipment to enable a person who is blind or has low vision to read, or type or special equipment to assist a person who is deaf or hard of hearing, but only if these items are directly related to permitting the disabled person or other family member to work.

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, necessary grooming, and other continuing necessary costs of care, will be included.

- **Eligible Attendant Care**

The family determines the type of attendant care that is appropriate for the person with disabilities.

Some examples of attendant care expenses can include teaching a person with disabilities how to perform day-to-day tasks independently like cleaning, bathing, doing laundry, and cooking. Attendant care can be 24-hour care, or care during sporadic periods throughout the day.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. If the unreimbursed reasonable attendant care and auxiliary apparatus expense exceeds the amount earned by the person who was enabled to work, the deduction will be capped at the amount earned by that individual.

The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the RAA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

- **Payments to Family Members**

No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

#### Necessary and Reasonable Expenses

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

The RAA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the RAA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the RAA will consider, the family's justification for costs that exceed typical costs in the area.

### **7.12.6 Childcare Expense Deduction**

[24 CFR 5.603(b)]

Childcare expenses are amounts anticipated to be paid by the family for the care of children under 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 actively seek employment, to be gainfully employed 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 childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Childcare expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household. However, childcare expenses for foster children under age 13 that are living in the assisted family's household, are included when determining the family's childcare expenses.

#### **7.12.6.1 Qualifying for the Deduction**

- **Determining Who Is Enabled to Pursue an Eligible Activity**

The family must identify the family member(s) enabled to pursue an eligible activity. The term eligible activity in this section means any of the activities that may make the family eligible for a childcare deduction (seeking work, pursuing an education or being gainfully employed).

In evaluating the family's request, the RAA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

- **Seeking Work**

If the childcare expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each

reexamination. The deduction may be reduced or denied if the family member’s job search efforts are not commensurate with the childcare expense being allowed by the RAA.

- **Furthering Education**

If the childcare expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the childcare claimed.

- **Being Gainfully Employed**

If the childcare expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member’s employment during the time that childcare is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated

### **7.12.6.2 Earned Income Limit on Childcare Expense Deduction**

When a family member furthers his or her education, there is no cap on the amount that may be deducted for childcare – although the care must still be necessary and reasonable. However, when childcare enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

The RAA must not limit the deduction to the least expensive type of childcare. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working.

When the childcare expense being claimed is to enable a family member to work, only one family member’s income will be considered for a given period of time. When more than one family member works during a given period, the RAA generally will limit allowable childcare expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

When the person who is enabled to work is a full-time student whose earned income above \$480 is excluded, childcare costs related to enabling a family member to work may not exceed the portion of the person’s earned income that actually is included in annual income. In this case, if a family member who qualifies as a full-time, makes \$15,000 but due to their full-time student status, only \$480 is included in annual income, childcare expenses are limited to \$480.

#### **Eligible Childcare Expenses**

The type of care to be provided is determined by the assisted family. The RAA may not refuse to give a family the childcare expense deduction because there is an adult family member in the household that may be available to provide childcare.

- **Allowable Childcare Activities**

For school-age children, costs attributable to public or private school activities during standard school hours are not considered.

Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of childcare.

The costs of general housekeeping and personal services are not eligible. Likewise, childcare expenses paid to a family member who lives in the family’s unit are not eligible; however, payments for childcare to relatives who do not live in the unit are eligible.

If a childcare provider also renders other services to a family or childcare is used to enable a family member to conduct activities that are not eligible for consideration, the RAA will prorate the costs and allow only that portion of the expenses that is attributable to childcare for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the childcare provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

- **Childcare Expenses as Part of Medical Expenses**

Reasonable childcare expenses for a qualified child (see subsection above) may be considered as a part of a participant's disability assistance expenses if it is documented that the participant or an incapacitated household member, who otherwise would have provided such care, is unable to do so as a result of a medical condition or disability. The medical condition or impairment must be documented with a medical care professional's letter that sufficiently indicates that due to a specific condition or impairment, provision of childcare is a necessity.

- **Necessary and Reasonable Costs**

Childcare expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, or further his or her education, and (2) the family certifies, and the childcare provider verifies, that the expenses are not paid or reimbursed by any other source.

Only reasonable childcare costs can be deducted. If the RAA determines in its discretion that circumstances warrant further scrutiny, it may review measures/comparisons of costs for the type of care in the locality to ensure that the costs are reasonable. Following any such determination by the RAA, the family would be allowed an opportunity for response.

If the family presents a justification for costs that exceed typical costs in the area through additional documentation that convinces the RAA that the higher cost is appropriate, the RAA must document the file accordingly.

## **7.13 CALCULATING FAMILY SHARE AND SUBSIDY AMOUNTS**

### **7.13.1 TTP Formula**

[24 CFR 5.628]

Total tenant payment (TTP) is the highest of the following amounts, rounded to the nearest dollar:

- 30% of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10% of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent of \$50, established by EOHLC

The RAA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in

[Hardship Requirements](#) .

The amount that a family pays for rent and utilities (the family share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

Welfare Rent: Welfare rent does not apply in this locality [24 CFR 5.628].

Minimum Rent: The minimum rent for this locality is \$50 [24 CFR 5.630].

### **7.13.1.1 Family Share**

[24 CFR 982.305(a)(5)]

If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds EOHLC's applicable payment standard: (1) the family will pay more than the TTP, and (2) at initial occupancy the RAA may not approve the tenancy if it would require the family share to exceed 40% of the family's monthly adjusted income. (See [Applying Payment Standards](#) later in this chapter.)

### **7.13.1.2 EOHLC Subsidy**

[24 CFR 982.505(b)]

EOHLC or the RAA will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of (1) the applicable payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP. (See [Applying Payment Standards](#) later in this chapter.)

## **7.14 HARDSHIP REQUIREMENTS**

[24 CFR 5.630]

### **7.14.1 Financial Hardship Affecting Minimum Rent**

Because EOHLC has established a minimum rent greater than zero, the RAA will grant an exemption from minimum rent if a family is unable to pay minimum rent because of financial hardship.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the RAA determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP. Financial hardship includes the following situations:

- The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996. A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.
- For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.
- The family would be evicted for non-payment of rent or tenant-paid utilities because it is unable to pay the minimum rent.
- Family income has decreased because of changed family circumstances, including the loss of employment.
- A death has occurred in the family. In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

### **7.14.2 Determination of Financial Hardship**

24 CFR 5.603(b)(2)(ii)

When a family requests a financial hardship exemption, the RAA must suspend the minimum rent requirement beginning the first of the month following the family's request.

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family’s ability to pay the minimum rent.

The RAA then determines whether the financial hardship exists and whether the hardship is temporary or long-term. Temporary hardship is defined as a hardship expected to last 90 days or less. Long-term hardship is defined as a hardship expected to last more than 90 days. The RAA will make the determination of hardship within 30 calendar days.

When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example that follows demonstrates the effect of the minimum rent exemption.

<b>EXAMPLE: IMPACT OF MINIMUM RENT EXEMPTION</b>			
Family Share – No Hardship		Family Share – With Hardship	
\$0	30% of monthly adjusted income	\$0	30% of monthly adjusted income
\$15	10% of monthly gross income	\$15	10% of monthly gross income
N/A	Welfare rent	N/A	Welfare rent
\$50	Minimum rent	\$50	Minimum rent
Minimum rent applies. TTP = \$50		Hardship exemption granted. TTP = \$15	

- **No Financial Hardship**  
If the RAA determines there is no financial hardship, the RAA will reinstate the minimum rent and require the family to repay the amounts suspended. The RAA will require the family to repay the suspended amount within 30 calendar days of the notice that a hardship exemption has not been granted.
- **Temporary Hardship**  
If the RAA determines that a qualifying financial hardship is temporary, the RAA must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family’s request for a hardship exemption.  
At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay the RAA the amounts suspended, unless the RAA determines that circumstances have changed, and the hardship is now a long-term hardship. Otherwise, the RAA will enter into a repayment agreement in accordance with the procedures found in [Repayment Agreement](#).
- **Long-Term Hardship**  
If the RAA determines that the financial hardship is long-term, the RAA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family’s request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.


The hardship period ends when any of the following circumstances apply:

- At an interim or regular reexamination, the family’s calculated TTP is greater than the minimum rent.

- For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.

The next chart summarizes Financial Hardships and the corresponding circumstances that make a family no longer eligible for a financial hardship.

HUD-DEFINED FINANCIAL HARDSHIP	FINANCIAL HARDSHIP ENDS
The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program.	At an interim or regular reexamination, the family’s calculated TTP is greater than the minimum rent.
The family would be evicted because it is unable to pay the minimum rent.	
A death has occurred in the family.	
Family income has decreased because of changed family circumstances, including the loss of employment.	For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost.

 As of the publication date, the following HOTMA regulations are temporarily suspended pending guidance from HUD. Please do not implement until further instructions are provided by EOHLC.

### 7.14.3 Hardship Exemptions for Health and Medical Care Expenses and Reasonable Disability Assistance Expenses

A family will benefit from this hardship exemption only if the family has eligible expenses that can be deducted in excess of 5% of annual income.

In order to claim unreimbursed health and medical care expenses, the family must have a head, co-head, or spouse that is elderly or a person with a disability.

In order to claim unreimbursed reasonable disability assistance expenses (related to attendant care and auxiliary apparatus), the family must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed.

### 7.14.4 Implementation of Phased-In and/or General Relief

Families may be eligible for relief under one of two categories; phased-in relief or general relief, as defined below.

Note: A family receiving phased-in relief may request to receive general hardship relief instead; once a family chooses to obtain general relief, a family may no longer receive the phased-in relief.

#### 7.14.4.1 Phased-In Relief

All families who previously received a deduction for unreimbursed health and medical care and/or reasonable disability assistance expenses based on their most recent income review prior to HOTMA implementation, will begin receiving the 24-month phased-in relief at their next annual reexamination or interim reexamination, whichever occurs first.

Families who receive phased-in relief will have eligible expenses deducted that exceed 5 % of annual income for 12 months. Twelve months after the 5 % phase-in began, families will have eligible expenses deducted that exceed 7.5 % of annual income for the immediately following 12 months. After the family has completed the 24 months phase-in at the lower thresholds, the family will remain at the 10% threshold, unless the family qualifies for relief under the general relief provision.

When an eligible family’s phased-in relief begins at an interim reexamination, the RAA will need to process another transaction one year later to move the family along to the next phase. The transaction can be either an interim reexamination if triggered, or a non-interim reexamination transaction.

When implementing phased-in relief for medical deductions, the RAA must track the 24-month phase-in period for each eligible family. Please note that the execution of a new HAP does not end or reset the phased-in relief. The phase-in period must follow the family should they move within EOHLC’s jurisdiction as a move/transfer or outside of EOHLC’s jurisdiction as portability.

#### **7.14.4.2 General Relief**

To receive general relief, a family must demonstrate that the family’s unreimbursed health and medical care expenses or unreimbursed reasonable disability assistance expenses increased over 5% but under 10% and caused a hardship, or the family’s financial hardship is a result of a change in circumstances that would not otherwise trigger an interim reexamination.

Relief is available regardless of whether the family previously received an unreimbursed health/medical or disability assistance deduction, are currently receiving phased-in hardship relief, or were previously eligible for either this general relief or the phased-in relief.

If the RAA determines that a family is eligible for general relief, the family will receive a deduction for the sum of the eligible expenses that exceed 5% of annual income. The family’s hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier. As reasonable accommodation, the RAA may extend the relief for one or more additional 90-day periods while the family’s hardship condition continues.

#### **7.14.5 Hardship Exemption to Continue Childcare Expenses Deduction**

A family whose eligibility for the child-care expense deduction is ending may receive a hardship exemption to continue receiving a child-care expense deduction if the family demonstrates to the RAA’s satisfaction that the family is unable to pay their rent because of loss of the child-care expense deduction and the child-care expense is still necessary even though the family member is no longer working or furthering their education.

##### **7.14.5.1 Implementation of Relief of Childcare Deduction Loss**

The hardship exemption and the resulting alternative adjusted income calculation must remain in place for a period of up to 90 days. The RAA, at their discretion, may extend such hardship exemptions for additional 90-day periods based on family circumstances.



## **7.15 APPLYING PAYMENT STANDARDS**

[24 CFR 982.505]

Payment standard is defined as “the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family)” [24 CFR 982.4(b)].

The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under EOHLC’s subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family.

If EOHLC has established an exception payment standard for a designated part of an FMR area and a family’s unit is located in the exception area, the RAA must use the appropriate payment standard for the exception area.

The RAA is required to pay a monthly housing assistance payment (HAP) for a family, that is the lower of (1) the payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP.

If during the term of the HAP contract for a family's unit, the rent for the unit is lowered, the RAA will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit. The family and landlord will be informed of the change.

**For Example:** A six-person family is issued a 3BR voucher and rents a 2BR apartment, choosing to use the living area as a bedroom. The lower of the 2BR payment standard or gross rent must be used. If the family rents a 4BR unit, the lower of the 3BR payment standard or gross rent must be used.

### 7.15.1 Changes in Payment Standards

See [Payment Standards](#) for EOHLC's policy for applying changes in payment standards when the published FMRs cause the current payment standard amounts to be outside the basic range.

#### MTW Policy

Except as described below, the RAA will apply the current payment standard in effect on the effective date of the regular reexamination regardless of fluctuations, whether decreases or increases, in the payment standard from one year to the next.

Families requiring or requesting any type of interim reexamination will have their HAP payments calculated using the current payment standard in effect at the time of the requested reexamination, unless the current standard reflects a decrease from the payment standard applied at the previous regular reexam, in which case the payment standard from the previous regular reexamination will be applied.

In the event that a new payment standard is applied at an interim reexamination, that payment standard will continue to be used until the next regular reexam. There will be no interim reexaminations done solely to utilize a new payment standard.

### 7.15.2 Decreases in Payment Standard

**Non-MTW Policy:** If the amount on the payment standard schedule is decreased during the term of the HAP contract, the lower payment standard generally will be used beginning at the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard.

The RAA will determine the payment standard for the family as follows:

- **Step 1:** At the first regular reexamination following the decrease in the payment standard, the RAA will determine the payment standard for the family using the lower of the payment standard for the family unit size or the size of the dwelling unit rented by the family.
- **Step 2:** The RAA will compare the payment standard from step 1 to the payment standard last used to calculate the monthly housing assistance payment for the family. The payment standard used by the RAA at the first regular reexamination following the decrease in the payment standard will be the higher of these two payment standards. The RAA will advise the family that the application of the lower payment standard will be deferred until the second regular reexamination following the effective date of the decrease in the payment standard.
- **Step 3:** At the second regular reexamination following the decrease in the payment standard, the lower payment standard will be used to calculate the monthly housing assistance payment for the family unless EOHLC has subsequently increased the payment standard, in which case the payment standard will be determined in accordance with procedures for increases in payment standards described below.

### 7.15.3 Increases in Payment Standard

**MTW and Non-MTW Policy:** If the payment standard is increased during the term of the HAP contract, the RAA must use the increased payment standard amount to calculate the monthly housing assistance payment for the family beginning no later than the earliest of:

- The effective date that an increase in the gross rent results in an increase in the family’s share.
- The family’s first regular or interim reexamination.
- One year following the effective date of the increase in the payment standard amount.

#### **7.15.4 Changes in Family Voucher Size**

If there is a change in the family voucher size that would apply to a family during the HAP contract term, either due to a change in family composition, or a change in EOHLC’s subsidy standards (see [CHAPTER 5](#)), the family’s new voucher size is used to determine the payment standard amount for the family at the family’s first regular reexamination following the change in family composition.

#### **7.15.5 Moves to a New Unit**

If the family moves to a new unit, or a new HAP contract is executed due to changes in the lease (even if the family remains in place) the current payment standard applicable to the family will be used when the new HAP contract is processed.

#### **7.15.6 Reasonable Accommodation**

If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, EOHLC is allowed to establish a higher payment standard for the family within the basic range. See MTW and non-MTW policies at [Payment Standard Exceptions & Reasonable Accommodations](#).

### **7.16 APPLYING UTILITY ALLOWANCES**

[24 CFR 982.517(d)]

The RAA will use the appropriate utility allowance for the lower of the size of dwelling unit leased by a family or the voucher size for which the family qualifies using the EOHLC subsidy standards.

**For Example:** if a family has a 2BR voucher and leases a 3BR unit, the RAA will apply the utility allowance for the 2BR unit.

For project-based units, the RAA will apply the utility allowance for the unit size.

See [CHAPTER 5](#) for information on EOHLC’s subsidy standards. For policies on establishing and updating utility allowances, see

[Utility Allowances](#).

#### **7.16.1 Utility Reimbursement**

[24 CFR 982.514(b)]

When the subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement.

**Non-MTW Policy:** The RAA will make utility reimbursements to the family. However, the RAA may as an alternative pay any utility reimbursement directly to the utility provider. Use of the latter is suggested if the family has a history of non-compliance with HQS due to non-payment of utilities.

**MTW Policy**

The RAA will make utility reimbursements to the family when and if such reimbursements are more than \$25/month. However, the RAA may as an alternative pay any utility reimbursement directly to the utility provider. Use of the latter is suggested when the family has a history of non-compliance with HQS due to non-payment of utilities. The RAA will not make any utility reimbursement to a family if such reimbursement is \$25 or less per month.

**7.16.2 Reasonable Accommodation**

EOHLC will approve a utility allowance amount higher than shown on EOHLC’s schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability.

**For Example:** If a family member with a disability requires such an accommodation, EOHLC will approve an allowance for air conditioning, even if EOHLC has determined that an allowance for air conditioning generally is not needed.

In order to be considered for an additional utility allowance as a reasonable accommodation, the family must be responsible for payment of the utility. For example, if the owner pays for heat, EOHLC will not approve a reasonable accommodation for an additional utility allowance for heat.

The family must request an additional allowance and provide the RAA with documentation of the need for the reasonable accommodation. The RAA will submit the request to EOHLC. EOHLC will determine reasonable accommodations for other utilities on a case-by-case basis. See policies on Reasonable Accommodation – Utility Allowances [and Policies Related to Persons with Disabilities](#).

**7.16.3 Applying Revised Utility Allowances**

EOHLC may implement revised utility allowance schedules on a specific date and time for all families provided the family has been given at least 60 days’ notice of the change.

**Non-MTW Policy:** At regular and interim reexaminations, the RAA will use the regional utility allowance schedule in effect as of the effective date of the transaction.

**MTW Policy**

At regular and interim reexamination, the RAA will use the EOHLC utility allowance schedule in effect as of the effective date of the transaction.

**7.17 PRORATED ASSISTANCE FOR MIXED FAMILIES**

[24 CFR 5.520]

A mixed family is one that includes at least one U.S. citizen or eligible noncitizen and any number of ineligible family members. The RAA must prorate the assistance provided to a mixed family. The RAA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible.

# **CHAPTER 8 : HOUSING QUALITY STANDARD NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTATE (NSPIRE)**

## **8.1 INTRODUCTION**

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's housing quality standards under NSPIRE and permits EOHLC to establish additional requirements. The purpose of NSPIRE is to strengthen HUD's physical condition standards and improve HUD oversight through the alignment and consolidation of the inspection regulations used to evaluate HUD housing across multiple programs. The use of the term HQS in this plan refers to the combination of both HUD and EOHLC-established requirements. NSPIRE inspections are required before the Housing Assistance Payments (HAP) contract is signed and at least annually during the term of the contract. EOHLC will notify the RAAs once NSPIRE has been implemented. EOHLC anticipates this new inspection module will be implemented on October 1, 2025.

## **8.2 REASONABLE MODIFICATIONS & HQS (OR OTHER INSPECTION METHOD)**

[24 CFR 100.203]

It shall be unlawful for any person to refuse to permit reasonable modifications of existing premises, occupied or to be occupied by a handicapped person, if the proposed modifications may be necessary to afford the handicapped person full enjoyment of the premises.

Owners must also comply with Massachusetts law. Pursuant to Massachusetts General Laws Chapter 151B, in the case of publicly assisted housing, multiple dwelling housing consisting of ten or more units, or contiguously located housing consisting of ten or more units (see M.G.L. c. 151B, § 1 for definitions), reasonable modification of existing premises occupied or to be occupied by a person with a disability shall be at the expense of the owner or other person having the right of ownership if such modification is necessary to afford the person with a disability full enjoyment of the premises. A modification which is paid for by the owner or other person having the right of ownership is not considered to be reasonable if it would impose an undue hardship upon the owner or other person having the right of ownership and shall therefore not be required [M.G.L. c. 151B, § 4(7A)].

The landlord may not increase, for persons with disabilities, any customarily required security deposit.

In the case of other housing where modifications are not required to be at the expense of the owner or other person having the right of ownership, and where such housing is rental and the modification to be paid for by the handicapped person will materially alter the marketability of the housing, the landlord may, where it is reasonable to do so, condition permission for a modification on the renter agreeing to restore, or pay for the cost of restoring the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted [24 CFR 100.203; M.G.L. c. 151B, § 4(7A)].

See also 24 CFR Part 8 for obligations of recipients of federal financial assistance pursuant to the Rehabilitation Act and 28 CFR Part 35 for obligations of public housing authorities pursuant to the Americans with Disabilities Act.

## **8.3 TYPES OF INSPECTIONS**

[24 CFR 982.405]

The RAA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- **Initial Inspections:** The RAA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the NSPIRE inspection before the effective date of the HAP Contract. The RAA will inspect the unit within 5 business days of receiving the RFTA.
- **Annual and Biennial Inspections:** HUD requires EOHLC and the RAA to inspect each unit under lease at least biennially to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family’s regular reexamination but also may be conducted separately.
- **Special Inspections:** A special inspection may be requested by the owner, the family, or EOHLC or the RAA as a result of problems identified with a unit between annual inspections.
- **Audit Inspections:** HUD requires that a sample of units be reinspected by a supervisor or other qualified individual to ensure that NSPIRE is being enforced correctly and uniformly by all inspectors. It is expected that each RAA achieves a 3% requirement. The RAA will re-inspect a sample number of units to verify accuracy and consistency. The re-inspected sample will be selected from inspections that were completed in the previous three months and represent a cross section of neighborhoods and RAA inspectors. The RAA re-inspects 50 units plus 1 Unit for every 200 inspections over 2000 inspections.

### 8.3.1 Alternative Inspection Methods

- The RAA will allow owners to submit photographs and/or third-party invoices as proof of repair.
- The RAA can call the tenant to verify whether the repair has been made. The interaction should be documented with an oral certification or note from the RAA or accept written confirmation from the tenant.

### 8.3.2 Biennial Inspections

EOHLC allows the RAA to conduct biennial inspections if the unit passes the first annual after the initial inspection. In the case of a unit failure, the unit will remain on an annual inspection schedule until it can pass on a first attempt.

**Examples:** A new move occurred and passed on 12/20/24. The next annual inspection occurs on 12/20/25 and passes. The unit can now move to a biennial inspection.

A new move occurs on 1/15/24 and passes. The next scheduled inspection is 1/14/25, and the unit fails. The unit passes on 2/14/25. The unit remains on an annual inspection cycle unit once the unit passes the first inspection.

The RAA will inspect units on a biennial basis except under the following circumstances:

- Units constructed pre-1978, where a letter of lead compliance is required and children under six years of age reside, will be inspected annually.
- Based on the RAA’s review of property conditions, the RAA may switch to an annual inspection frequency.

The RAA reserves the right to change any NSPIRE unit inspection frequency based upon management discretion. For example, if a unit is in a building with roof leaks, and capital repairs are not scheduled for another six months, the RAA may inspect more frequently than annually. Another example is where a unit fails inspection because the dumpster is overflowing and the garbage is strewn about. The RAA may still allow the owner to retain the biennial inspection frequency because the violation was as a result of a non-compliant tenant moving out.

Tenants cannot opt for their unit to remain on an annual inspection schedule; however, either the tenant or the owner may request a complaint inspection at any time. Complaint inspections should not be requested until the owner/tenant has been contacted and given the opportunity to respond to the HQS issue.

An owner may request to remain on an annual inspection schedule by making a written request to the RAA. The RAA will review the request and make a determination as to the required inspection frequency.

#### **8.4 NOTICE AND SCHEDULING OF INSPECTIONS**

[24 CFR 982.551(d)]

The family must allow EOHLC and the RAA to inspect the unit at reasonable times with reasonable notice. Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is considered to be not less than 48 hours. In the case of a life-threatening emergency, the RAA will give as much notice as possible, given the nature of the emergency.

#### **8.5 ATTENDANCE REQUIREMENTS FOR NSPIRE INSPECTION**

When a family occupies the unit at the time of inspection, an adult must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

#### **8.6 RESCHEDULING AN INSPECTION**

The tenant is responsible for ensuring that an adult family member be present on the scheduled inspection date. If an adult family member is not available, the tenant should arrange for another adult and/or the owner to be present for the inspection and notified the RAA in writing. The tenant will only be allowed to reschedule with good cause. Requests to reschedule must be accompanied by oral or written verification of the good cause which dictates rescheduling of the inspection.

The RAA and tenant may agree on a new inspection date that generally should take place within five business days of the originally scheduled date. The RAA may schedule an inspection more than five business days after the original date for good cause.

The RAA will review case history to determine the first action to be taken for HQS scheduling violations. Failure to provide documentation of good cause for the rescheduled inspection may result in a warning and termination subject to EOHLC termination policies for additional offenses.

#### **8.7 TENANT NO-SHOWS FOR HQS INSPECTIONS**

When the proper advance notice of the inspection has been provided by the RAA to the tenant, when a tenant does not provide access or arrange for access for the scheduled HQS inspection, the RAA will call this an Inspection No-Show violation. The RAA will review case history to determine the action to be taken for a no-show violation. Failure to provide documentation of good cause for the no-show violation may result in a warning and termination subject to EOHLC termination policies for additional offenses.

#### **8.8 CONDUCTING AN INITIAL INSPECTION WHILE THE UNIT IS STILL OCCUPIED**

The RAA will not conduct an initial inspection on a unit unless the unit is vacant at the time of inspection. Exceptions may be made as a reasonable accommodation for an individual with disabilities.

#### **8.9 OWNER CERTIFICATION OF CERTAIN HQS REQUIREMENTS**

The RAA may accept a written owner certification for certain HQS requirements where inspection may present a safety risk to the inspector or result in potentially destructive or damaging testing. EOHLC will establish and maintain a list of HQS items where owner certification of compliance will be accepted, including the following:

- Installation of anti-tipping devices on stoves/range

- Certification of safe and proper operation of GFCI circuits and outlets. The RAA will convey a failed NSPIRE inspection rating where an owner does not certify safe and proper operation of GFCI circuits and outlets. Inspection staff will not test GFCI or other outlets or circuits.

## **8.10 INSPECTOR SAFETY**

Conditions during HQS inspections that present a danger to inspection staff may result in a halted inspection until the dangerous condition is abated/corrected. Staff may elect to halt an inspection for any perceived safety reason and may also request additional staff be present to complete the inspection. Once the dangerous condition has been abated/corrected, inspectors/staff will continue and complete the inspection. Examples of dangerous conditions include but are not limited to:

- Visible friable asbestos present.
- Infestations of fleas, bees, bed bugs, rats, or other health threats.
- Inspectors do not test for mold, lead, radon, or other contaminants (professional testing may be required; tenants may be required to submit test results for HQS citation).
- Presence of animals/pets that pose a threat or allergen to staff (staff may elect not to enter unless the pet is removed or securely restrained).
- Walking fire escapes, porches, floors, or stairways that appear unsound (certification of structural stability or Inspection Certification may be required).
- Flooded basement or sewerage backup.
- Entering crawl spaces or climbing unsafe pull-down attic stairs (these instances should be noted by staff).

## **8.11 INCONCLUSIVE INSPECTIONS**

At times the inspector cannot conclude whether an item passes inspection and must classify an item as Inconclusive. The unit does not pass inspection if any item is inconclusive. In certain cases, a new lease may begin provided an on-site reinspection is performed once the tenant is in occupancy. In other cases, inspections are Inconclusive and subject to written approval by the appropriate, qualified professionals.

### **8.11.1 Utilities Not on During Initial Unit Inspection**

Frequently, at initial inspection the unit is vacant and the utilities are turned off. The RAA may require the owner to have utilities turned on during vacant unit inspections. In the event that the RAA allows the inspection and the utilities are not turned on, once the unit otherwise passes inspection, the lease may begin and HAP payment can be either released or withheld until verification by an on-site reinspection to confirm the good working order of the inconclusive utility. The on-site confirmation must be performed no later than 30 days after the lease start date. Failure to comply may result in HAP suspension or contract termination. Inspection result is inconclusive until verification of utility service has been made and confirmed at inspection. If the owner includes utilities in the rent and the utility services have not been turned on at the time of the inspection, it will be a failing item.

### **8.11.2 Appliances Not in the Unit**

If the refrigerator and/or stove are owner-supplied and they are not in the unit during the inspection, the RAA will fail the unit. The lease effective date cannot be established until all owner-supplied appliances are in the unit.

The size of the appliances shall be appropriate for the family composition. Substituting a microwave oven for a stove shall not be acceptable unless approved by the RAA.

### **8.11.3 Tenant-Supplied Appliances**

In the case of missing or out-of-order tenant-supplied appliances on an initial inspection, such as a refrigerator or stove, the lease may begin and the housing assistance payment can be made the date the unit otherwise passes inspection. Verification by an on-site reinspection, picture or video to confirm the presence and good working order of the appliance must be completed no later than 30 days after the lease start date. Failure to correct within five business days of notification may result in tenant termination from the program. In the case of tenant-supplied appliances that are not in the unit, the inspection result is inconclusive until verification that the appliances are in the unit has been confirmed at inspection.

#### **8.11.4 Subject to Approval**

An inspector may also fail or note an item inconclusive subject to the inspection and approval by appropriate qualified professionals such as local health, building, plumbing, electrical or fire inspectors, licensed heating/plumbing contractors, local utility companies, licensed lead paint inspectors, state certified elevator inspectors or licensed elevator maintenance companies, and licensed extermination companies. Any such written approval must be dated after the date of the citation. If at any time the RAA disagrees with the decision rendered by the appropriate qualified professional or believes that the condition requires further evaluation, the RAA shall notify EOHLC. The EOHLC & NSPIRE Inspection Guide, a comprehensive manual detailing the updated regulations, will be available for reference on EOHLC's website. The issues below will be included in this guide.

- Certification Regarding the Safe Operating Condition of the Heating System and/or All Heating Appliances. In accordance with HUD inspection requirements all heating systems must be certified as safe. The certificate may be posted on the heating unit.
- Written Approval from a Local Official or a Posted Building Permit may be required in situations where systemic or structural repairs or rehab are in progress. Approval may also be required when potential systemic or structural hazards or other questionable conditions may exist.
- A Building Permit may also verify the date the building was built. Properties built after 1978 do not require a Letter of Compliance with the Lead Law.
- A Letter of Compliance, a Letter of Re-Occupancy or a Letter of Interim Control or Certification of No Interior Dwelling Unit Violations is required in accordance with HUD and EOHLC HQS requirements.
- A Post Compliance Assessment Determination required in accordance with HUD and EOHLC HQS Requirements.
- Fire Department approval of smoke detector or carbon monoxide detector systems and egress systems.
- An Elevator Inspection Certificate must be posted or on file. Frequently elevator inspections are not up to date. Follow up is required in accordance with HUD and EOHLC HQS Requirements.
- Certification from a licensed Elevator Maintenance Company may be required to confirm the safety of an elevator that fails inspection.
- A receipt to verify professional extermination in cases of chronic infestation.
- Board of Health approval of appropriate low-flow devices and/or fixtures required for water submetering.

### **8.12 REGULAR AUDIT INSPECTIONS**

Three percent (3%) of all units under lease are audited each year. EOHLC's Inspection Manager conducts audits and also requires each RAA to perform internal audits of units each quarter. EOHLC includes an RAA's internal audit inspections as counting toward its 3% annual audit goal. The results are used to determine

which RAAs need additional training, and when necessary, which RAAs should be sanctioned for failure to improve in this area of program operation.

Audits are selected randomly either from units recently brought onto the program or from units recently reinspected and passed inspection. Along with individual unit audit inspections, EOHLC recommends regular “windshield tours” whereby individual unit selections can be made based on a preliminary viewing of building exterior, common areas, and neighborhood conditions. EOHLC fixes the number of unit audits that must be performed and the EOHLC Inspection Manager may increase or decrease the required number for any RAA based on the previous year’s performance. RAAs’ unit audits must be conducted in the same manner and format as an EOHLC unit audit.

To select units for the audit inspection, the EOHLC Inspection Specialist will create a list of recently passed inspections for the random audit selection. This includes selecting a balanced mix of building types, single-family, two/three family, multi-unit houses, and high/low-rises to ensure the audit captures the diversity and complexity of the inspections our staff conduct. Tenants who remain in the same unit previously audited may be excluded for up to two years so as not to create an imposition for the tenant. After EOHLC has made selections, the RAA will create their own passed inspection list for diverse, randomly selected in-house audits.

All audit results by both EOHLC and the RAA must be entered regularly into EOHLC’s designated software. All violations must show a designation for either “Staff Oversight” or “Maintenance Fail.” The RAAs are required to enter all follow-up reinspection results in the inspection software. All RAAs are required to furnish the following information for all selected audit inspections:

- A copy of the previous inspector’s report and identity;
- A copy of the lead paint documentation and date issued if applicable;
- The current family composition of record; and
- The specific program designation.

The inspection checklist and related correspondence must be maintained separately in an audit file.

As with EOHLC Inspection Audits, internal audits must be reviewed with staff inspectors and analyzed in order to determine areas of weakness, need for additional training, or other administrative action. All fail items must be categorized as Staff Oversight (S) or Maintenance Fail (M). (The number of fails due to staff oversight are the primary measure of an inspector’s effectiveness.) Overall and individual S and M failure rates are calculated within the audit reporting system. Whenever poor audit results are a trend, the number of audit inspections must be increased. Any comments disputing EOHLC audit determinations should be submitted in writing within seven days prior to the completion of the quarter.

#### Sanctions Related to Audit Inspections

HUD reserves the right to impose administrative fee sanctions on any PHA that receives greater than 25% audit failure rate on audit inspections. If HUD sanctions EOHLC, EOHLC will withhold the designated amount of money from the RAA and will use the money to satisfy the HUD sanction. EOHLC also reserves the right to impose administrative fee sanctions on any RAA maintaining consistently poor EOHLC unit audit results (that is, greater than 25% unit-audit failure); that fails to follow the required inspection format established by EOHLC; that consistently fails to respond to EOHLC audit findings in a timely manner; or that fails to maintain current data in EOHLC’s Audit Reporting System. EOHLC will provide prior notice to any RAA being considered for EOHLC-imposed sanctions and will provide a prescribed period of time in which the RAA can demonstrate improved performance.

### **8.13 HQS TRAINING**

The EOHLC Inspection Specialist performs training programs throughout the year. These sessions will focus on those areas that the EOHLC inspection audit results indicate additional follow-up is required, as well as

provide more advanced inspection training in significant areas of housing quality standards. Additionally, EOHLC may request that the RAA's inspector who performed the original (re)inspection of an audited unit accompany EOHLC during the audit. This time may be used to do one-on-one training, answer questions, and discuss issues.

It is the RAA's responsibility to train inspection staff and it is the responsibility of each RAA to ensure that all inspectors complete the required HUD Visual Assessment Training for Lead-Based Paint.

## **8.14 INSPECTION RESULTS**

Each unit must pass the regular inspection. At any other time, inspections can occur at the request of the tenant or owner, or as a result of unit audit inspections performed by the RAA, EOHLC or HUD.

There are four types of violations that could be discovered during a unit inspection:

- 24-Hour HQS Violations.
- Other HQS Violations.
- New HQS Violations.
- Tenant-Caused HQS Violations.

When 24-hour violations are identified, upon EOHLC approval, the RAA may be authorized to terminate the HAP contract immediately, with proper notice.

### **8.14.1 24-Hour HQS Violations**

Violations that present an immediate threat to the health and life safety of the family must be corrected within 24 hours. 24-hour violations may be owner or tenant caused. The responsible party is subject to the requirements for correction of 24-hour violations. Tenants may be terminated for failure to correct tenant caused 24-hour violations. Owner HAP payments may be stopped and the HAP contract may be terminated for failure to correct owner caused 24-hour violations.

The RAA must immediately contact the owner to inform them of the violation. If the contact is via phone, the phone call must be followed-up in writing. If the RAA is unable to contact the owner or agent by phone, email, fax, or in person, the written notice must be sent by certified mail. Owners are required to provide emergency contact information so the RAA can reach a responsible party when and if 24-hour violations are identified and the owner cannot be reached. Owners may be subject to prorated rent penalties for the time that EOHLC or the RAA is unable to contact them or their designated emergency contact.

Confirmation that the owner or agent has proceeded to make corrective repairs or made a sufficient good faith effort to repair must take place within the required time frame for emergency repairs (24 hours from the time of the inspection). On-site reinspection at the next reasonable scheduling opportunity is the only acceptable definitive verification that the unit is in compliance with HQS.

If the violations have not been corrected satisfactorily, the owner and family should be notified that the HAP payment will be suppressed/abated immediately, i.e., as of the date of the reinspection. The notice will state that the subsidy payment will be withheld and abated 100% for the number of days the unit is non-compliant and will resume only after repairs have been satisfactorily corrected and reinspected. If the unit is in compliance upon reinspection and the owner can document an earlier repair completion date, the HAP payment may resume as of that actual compliance date.

### **8.14.2 Other HQS Violations**

Other HQS violations include those that could affect the family's health or safety if not corrected within a reasonable amount of time, or other violations that do not affect health or safety.

When units fail an inspection due to non-life-threatening conditions the RAA will provide the owner with written or emailed notification no later than five business days from the date of the failed inspection. The notification must outline the corrective action to be taken and possible penalties for failure to comply.

The owner should be given a reasonable amount of time to make the necessary repairs, usually 30 days. During this time, the HAP payment continues without penalty.

The RAA will reinspect the unit on, or immediately after, the required completion date. If work has been completed, no further action is necessary and the HAP payment will continue uninterrupted.

If work has not been completed, the inspector should attempt to determine why. Depending upon the inspector's assessment of the HQS deficiency, the RAA may elect to suspend rent or grant an extension.

### **8.14.3 New HQS Violations**

New HQS violations are violations that are cited subsequent to the initial, failed regular, or other inspection. The new fail item(s) must be treated as a separate failed inspection, regardless of whether it had previously been overlooked by an inspector or had occurred subsequent to the initial failed inspection with all the ensuing remedies or sanctions, without impacting the prescribed course of action in progress. New items do not automatically trigger an extension.

It is extremely important that the RAA communicate to the owner that any new violations noted at each reinspection must be cited. The RAA must make every effort to ensure that initial inspections are thorough, to minimize the possibility of finding new HQS violations upon reinspection.

### **8.14.4 Tenant-Caused HQS Violations**

[24 CFR 982.404(b)]

An applicable court, not EOHLC or the RAA, makes the final determination of tenant responsibility for damages and perimeters of normal wear and tear. The RAA may cite tenant-caused conditions requiring the tenant to correct or face termination from the program. Owners may elect to correct the condition and seek remedy under Massachusetts law or from any security deposit rather than absorb rent loss and possible eviction costs. The RAA may consider tenant responsibility within the interior of the unit but not in common areas or exterior, although upon verification of tenant responsibility, if tenant belongings create HQS violations on the exterior or in common areas they may be cited as tenant-caused HQS violations.

Owners are responsible for safe and compliant lead paint maintenance; however, the tenant may be responsible for the expense to correct the lead issue where the damage is tenant-caused.

The family is responsible for a breach of HUD's HQS that is caused by any of the following:

- Failure to pay for tenant-supplied utilities.
- Failure to provide and maintain a stove and/or refrigerator if required in accordance with the lease.
- Improper storage of items inside or outside the unit.
- Malicious damage caused by the family or guest to unit or premises beyond ordinary wear and tear.
- Disabling smoke alarms and carbon monoxide detectors.

Families are responsible for any HQS violations that have been determined to be family caused. If a family caused violation is not corrected within the required time period allowed by the RAA, including any extensions; the RAA will terminate the family's assistance in accord with EOHLC's termination policies.

In instances where it is not clear or obvious that the violation is tenant-caused, the burden of proof is on the owner. An owner is required by law to provide a Statement of Condition to the tenant whenever a security deposit is collected. If the Statement of Condition is not available, the initial inspection report may be

helpful. An execution for eviction may also demonstrate that the court agrees that the tenant may be evicted and is responsible for damages to the unit. Also take into consideration whether the owner has a history or practice of violating HQS or EOHLC inspection requirements.

The Inspection Form Addendum for Tenant-Caused Violations must be used to provide written notice to the tenant. The owner must also receive a copy of the notice along with a letter of explanation.

#### **8.14.5 Other Deficiencies or Comment Items**

Other deficiencies are those that are not HQS violations, are not life threatening, and do not affect the family's health & safety. These deficiencies should be corrected at some reasonable future date or they could easily deteriorate into more serious violations. Other deficiencies should always be noted to help avoid security deposit claim issues that may arise when the family vacates the unit.

There are no sanctions or penalties for these unit conditions. These conditions should be noted on the inspection form as comment items to give guidance to the owner. A copy should be given to both the family and owner for their records. Owners should be encouraged to make the repairs so that they will not turn into violations at a later date.

### **8.15 HQS ENFORCEMENT**

This section addresses violations the owner is responsible for correcting. Treatment of tenant caused HQS violations is addressed in [Tenant-Caused HQS Violations](#). When a unit is out of compliance, several key factors should be collectively considered to determine an appropriate course of action:

- Severity of the violations.
- Number of violations.
- Length of time violations remain outstanding.
- Owner's or tenant's good faith effort to make repairs.
- Past repair history of owner, and/or tenant.
- Whether the non-compliance is tenant-caused.

#### **8.15.1 New Violations Cited During a Reinspection**

A violation that is cited for the first time at a reinspection (regardless of whether it had previously been overlooked by an inspector or had occurred subsequent to the initial failed inspection) does not automatically trigger an extension. The owner and tenant must be notified, in writing, of the new fail item(s), the new fail repair deadline, and the new fail reinspection date without impacting the progress of the initial fail.

##### **8.15.1.1 Abate the HAP Payment**

Abatement refers to the prorated reduction of the HAP payment for the period of non-compliance beginning on the day of the failed reinspection and ending upon on the date of the passed reinspection.

The RAA will notify the owner, in writing, that:

- The HAP payment will stop including the effective date. The RAA will provide the owner with a 30-day written notice of abatement. This requirement does not apply to abatements due to 24-hour violations.
- Payments will not resume until the repairs are completed.
- Retroactive payments may be made for the period of time the subsidy payment is suppressed minus any abatement.

Whenever the subsidy payment is suspended, the family must be notified in writing. The notice to the family will state that:

- The subsidy payment has been suspended.
- The family is advised to seek legal counsel on paying its rent share during the period of suspension and that the family must continue to pay rent if it chooses not to consult an attorney.
- If the owner continues to neglect the repairs, the RAA may terminate the HAP Contract.

#### **8.15.1.2 Work Plans and/or a No-Penalty Extension of Time to Complete Repairs**

No-penalty extensions may result in full subsidy payment during the correction period or the subsidy payment may be withheld and reimbursed in full once all violations have been successfully corrected..

In very limited circumstances, an owner may continue to receive the full subsidy throughout an approved no-penalty extension when some repairs require additional time to complete. This typically occurs when the scope of repair is beyond the owner's ability and a contractor is needed. The contractor's schedule then becomes a factor to consider when recognizing the good faith of the owner. In such cases, the RAA can request a signed and accepted proposal from the contractor showing the approximate start and completion dates of the work. This allows the scheduled reinspections to align with the approved work plan, ensuring efficiency and minimizing inconvenience for tenants.

The following factors are considered during no penalty extensions:

- The RAA determines the acceptability of the timeframes of the plan.
- Temporary repairs to stabilize the condition can be required prior to acceptance of the plan.
- If the proposed timeframe is deemed excessive, the RAA may reject a plan and advise the use of more readily available contractors.
- At initial inspection, the RAA may halt the inspection and decline to lease the unit without offering a work plan option.
- At regular inspection, the RAA may elect to terminate the contract if it is determined that occupancy would present a risk to the tenant during the work.

Other repairs may be within the owner's ability to complete without reliance on a contractor. Instead of an accepted proposal, the RAA may accept a Letter of Intent from the owner agreeing to complete the repairs within reasonable timeframes. This may also include seasonal repairs that require an extension until weather allows the work. In either scenario, a reasonable schedule of reinspections to monitor progress and adherence to the plan may be required.

During the extension period, the subsidy payment can either continue without interruption or be withheld and retroactively paid upon repair completion. Failure of the owner to honor the agreement is grounds for contract termination. At the end of the extension period, if work is not completed, the RAA has the following options:

- Grant a with penalty extension.
- Grant an additional no-penalty extension.
- Terminate the HAP Contract.

Generally, mitigating circumstances are the only reason for granting an additional no-penalty extension. The owner must be able to document the mitigating circumstances. All extensions must be approved by the Inspector or the Inspection Manager. The documentation must be attached to the inspection supervisor's approval and maintained in the family's file.

#### **8.15.1.3 With-Penalty Extension of Time to Complete Repairs**

During a with-penalty extension period, the subsidy payment must be withheld. Upon completion of repairs a partial, retroactive subsidy payment will be made to the owner. If the owner does not complete the repairs, the HAP contract will be terminated.

Generally, per the 30-day cycle policy, the appropriate response to a failed reinspection is to withhold and reduce the subsidy payment during the extension period. The subsidy payment reduction will be 100%. When the repairs are complete, the RAA may make a partial retroactive payment. If the repairs are not completed by the end of the extension period, either the HAP contract will terminate or, if the owner can show cause as to why additional time is needed, the subsidy will continue to be withheld until the repairs are made.

When suppression/abatement of subsidy payment occurs, the family should be advised:

- To seek competent legal counsel with respect to appropriate rent withholding procedures under Massachusetts state law. The RAA must not attempt to provide legal advice to tenants.
- That the RAA may have to terminate the HAP contract and that if the HAP Contract is terminated, the RAA will issue the family a searching voucher and provide the family with access to a list of available units known to the RAA and a sufferance letter.
- That the family may assume responsibility for the full rent amount and lease the unit in question without further assistance by EOHLC or the RAA.

If the repairs are completed on or before the next subsidy payment date, the payment should be reduced by 100% for period of time in which the unit was not in compliance.

**For Example:** An April subsidy payment of \$1000 has been paid. On April 4th, inspector verifies a serious leak in ceiling from an upstairs apartment where pipe had burst. The owner was notified, in person and in writing, to correct within 24 hours. On April 6th, the inspector returns and notes that only minimal work has been done to repair damage to family's unit and leak still continues. The owner is sent a notice that the subsidy payment will be suppressed 100%, effective on the date of the failed reinspection and continuing until the repairs are completed. The family is advised to seek legal counsel relative to their rent share. On April 15th, unit is reinspected and all work is completed. The owner is notified that the subsidy payment for May will be reduced by \$333.00, that is \$33.33 per day ( $\$1000/30 = \$33.33$ ) for the 10 days the unit was in non-compliance (from April 6th up until but not including April 15th). The family's legal counsel should advise family of any further action regarding the tenant's share.

If repairs are not completed before the next subsidy payment check is to be made, no payment may be sent to the owner. When the owner indicates that repairs have been completed and the inspector can verify this, a pro-rated share of the subsidy may be paid from the date the inspector approved the unit. Depending upon the nature of the 24-hour violation, if repair(s) are not completed promptly, the RAA may terminate the HAP contract when it becomes apparent that the owner will not cooperate in making the necessary unit corrections. The RAA should refer the tenant to call the local Board of Health. The RAA should not allow more than 10 days before sending a termination notice for a 24-hour violations.

Owners who demonstrate a history of inspection non-compliance may be subject to a proportionately higher abatement percentage to promote client safety and ensure compliance. The RAA must ensure that any schedule it develops is fair and that a consistent process is followed. Each RAA will outline its method for making these determinations. This method must be approved by EOHLC and incorporated into the RAA's procedures.

EOHLC and each RAA's Section 8 Program Director must ensure that abatement decisions are being thoughtfully, reasonably, and consistently implemented. This is consistent with the rental owner's expectations under Massachusetts's law.

#### **8.15.1.4 Terminate the HAP Contract**

HAP termination proceedings will begin 10 days after the failed reinspection for 24-hour HQS violations. With EOHLC approval, the RAA may terminate the HAP contract immediately for 24-hour HQS violations.

For other HQS violations, HAP termination begins 45-60 days from the date of the initial fail, or approved extension, if the unit remains in non-compliance and an accepted work plan has not been implemented. The RAA must send written notice to both the family and the owner advising them of the date of the contract termination.

When a decision is made to terminate a HAP contract, the family should be issued a voucher. The RAA will notify the family that once the contract is terminated, if they wish to retain their assistance, they must relocate to an approvable unit within the voucher term as stated in [Voucher Term](#) or an approved extension of the termination effective date. If the family remains in place and the voucher expires, they will lose all rental assistance benefits. The family must move in order to retain its assistance. The family may move prior to the effective date of the contract termination, provided proper notice is given to the owner and the RAA.

The effective date of the subsidy voucher should coincide with the effective date of the HAP Contract termination, although the subsidy voucher may be issued prior to the termination date.

If the HAP Contract is terminated, EOHLC and the RAA will cease to be responsible for the contract rent. If the family remains in place after the effective date of the HAP Contract termination, it will be as a tenant-at-sufferance and the family will be responsible for the full contract rent.

If the family pursues a court action against the owner instead of moving, it must notify the RAA. If the family chooses not to move because of a pending court action, and subsequently loses in court, the RAA should seek EOHLC guidance on how to handle the case. If the family prevails in court, the RAA will reinstate the family in the unit in question, not in another unit (provided the unit passes inspection).

If a case is in litigation, or if the local Board of Health is taking action against the owner, but the HAP contract would otherwise be terminated, EOHLC will refer the case to its counsel for a decision on whether to terminate the HAP Contract. The RAA should send a request for such referral to EOHLC. The referral should include a brief summary of the case.

#### **8.15.2 HQS – Unit Remains in Extended Non-Compliance**

After three months of suspended subsidy payment, if the repairs have not been completed, the HAP contract should be terminated. If there are mitigating circumstances or a work plan has been accepted and is being honored, a decision may be made not to terminate the HAP contract.

After four months of suspended subsidy payments, the case must be submitted to EOHLC for review. A history of the case should be submitted, including what steps have been taken to review the case internally, and an explanation of why the HAP contract has not been terminated. Extensions beyond four months should be reviewed on a case-by-case basis.

### **8.16 LEAD-BASED PAINT COMPLIANCE AND REPORTING**

EOHLC requirements for notification, evaluation, and reduction of lead-based paint hazards as well as requirements for EOHLC and owner responses to elevated blood lead levels can be found in Requirements for Notification, Evaluation, and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance; Response to Elevated Blood Lead Levels (see [FR-5816-P-01](#); [HUD](#), [EOHLC](#), and [MA State Law](#)).

If the RAA is notified that a child of less than six years of age, living in an HCV-assisted unit, has been identified as having an environmental intervention blood-lead level, The owner is responsible for procuring a risk assessment of the dwelling in accordance with program requirements and MA State Lead Laws. The owner shall ensure the risk assessment is completed promptly and provide a copy of the report to the RAA. If the applicable public health department has completed a risk assessment, the owner shall obtain this report

and submit it to the RAA for verification. The owner assumes all responsibility and liability for compliance with risk assessment requirements.

Within 30 days after receiving the risk assessment report the owner must complete all required abatement activities in accordance with the lead-based paint regulations. Following the 30-day time frame and completion of the work, the owner shall notify the RAA immediately.

**The owner is responsible for arranging and funding clearance testing by a certified third-party agency to verify that all lead-based paint hazards have been effectively abated.** A copy of the clearance test results must be submitted to the RAA.

If the owner does not complete the lead abatement activities as required, the dwelling unit is in violation of HQS regulations and MA Lead Laws and the RAA will take action in accordance with regulatory requirements (termination of the unit).

Prior to conducting the initial HQS inspection, if a child less than six years of age will be an occupant of the unit and the property was built prior to January 1, 1978, the RAA must collect and review the required lead compliance documents prior to scheduling an HQS inspection. The RAA may require the lead inspection report(s) as well as Letters of Compliance.

If the property was built on or after January 1, 1978, prior to scheduling the HQS inspection, the RAA must collect documentation that confirms the time of initial construction of the building. If a pre-1978 building undergoes rehab or remodeling after January 1, 1978, this building is still subject to the pre-1978 lead-based paint compliance documentation requirements. Construction date documentation can include:

- A building permit
- Information collected from the municipal assessor's database
- The Massachusetts Interactive Property Map ([arcgis.com](http://arcgis.com))
- Another source approved in advance by EOHLC's Inspections Specialist or Assistant Director, Federal Programs, to confirm initial construction.

Owners or agents submitting documentation may be required to provide proof of the validity of the lead compliance documents. Instances of fraud or altered documents must be reported to EOHLC. Any lead compliance documents determined to be altered or changed must be turned over to the Massachusetts Dept. of Public Health-Childhood Lead Poisoning Prevention Program for follow-up action.

# CHAPTER 9 : RENT REASONABLENESS AND RENT CHANGES

## 9.1 OVERVIEW

[24 CFR 982.507]

The RAA is required to determine that units rented by families assisted under the HCV program have rents that are reasonable when compared to comparable unassisted units in the market area. No HAP contract can be approved until the RAA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

A reasonable rent is defined as one that does not exceed the rent charged for comparable, unassisted units in the same market area. Owners also may not charge more for assisted units than for comparable units on the premises.

## 9.2 PHA-OWNED UNITS & REASONABLE RENT

[24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a unit owned by EOHLC or the RAA (“PHA-owned unit”), EOHLC or the RAA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the public housing authority (“PHA”) entity (here, EOHLC or the RAA) that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the managing RAA. The independent agency must be approved by HUD and may be the unit of general local government for the PHA jurisdiction (unless the PHA itself is the unit of general local government or an agency of such government).

## 9.3 WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

The RAA will complete reasonable rent determinations:

- When a unit is placed under HAP contract for the first time.
- If there is a 10% decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date.
- Before any increase in rent to owner.
- At any other time EOHLC, the RAA or HUD deems it necessary.

At initial occupancy, the RAA may not approve a lease until the RAA determines that the initial rent to owner is a reasonable rent. The owner must not change the rent during the initial lease term.

Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved until any failed items identified by the most recent HQS inspection have been corrected. If a failed inspection becomes compliant, the RAA will honor the rent increase request moving forward. If the rent increase raises the tenant portion of rent share, the tenant must be appropriately notified.

The RAA will determine whether the requested increase is reasonable. The owner will be notified of the determination in writing.

For rent increase requests, the RAA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than four units. In evaluating the proposed rents in

comparison to other units on the premises, the RAA will consider unit size and length of tenancy in the other units.

All rent adjustments that are approved will be effective the first of the month following 60 days after the RAA's receipt of the owner's request or on the date specified by the owner, whichever is later.

If the requested rent is not found to be reasonable, the RAA must ensure that the owner reduces the requested rent to a reasonable rent. The RAA will terminate the existing contract for any unit where the landlord does not agree to a reasonable rent.

## **9.4 RENT REASONABLENESS METHODOLOGY**

The RAA will take into consideration the factors listed below when determining rent comparability. The RAA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same market area. The RAA will notify the owner of the rent that the RAA will approve based upon its analysis of comparable units.

### **9.4.1 Units That Must Not Be Used as Comparables**

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

### **9.4.2 Rents Charged for Other Units on the Premises**

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than four units.

By accepting the HAP payment each month, the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the RAA information regarding rents charged for other units on the premises.

#### **9.4.2.1 Owner Challenge to Rent Reasonableness Determination**

If an owner disputes the reasonableness of the offered rent level, the owner can prove that a higher rent is reasonable by submitting documentation such as current leases for other unassisted units. The RAA does not need to accept information submitted by an owner that cannot be verified as accurate or genuine.

The burden of proof is on the owner to establish comparability. The RAA will, in its discretion, determine the measure of acceptable documentation. For example, a current lease executed by the owner within the past six months is the best documentation that an owner can provide. With respect to verifying rent paid by

unsubsidized tenants-at-will (with no written lease), The RAA may request that the owner obtain a certified copy of the federal income tax Schedule E for rental income in the most recent year. Up to three units can be entered on Schedule E. For owners with multiple units, the owner may submit a verified statement by a tax preparer to document the rent paid on a particular unit.

## **9.5 DOCUMENTING RENT REASONABLENESS**

### Documentation of Methods

The RAA will maintain a written description of the methods and forms for valuation of comparables, including justification for selection of a particular valuation.

### Requirement and Retention of RR Documentation

The RAA will keep past records to document the basis for each rent reasonableness determination. In the tenant-based programs, the required rent reasonableness comparability determination must be kept for at least three years.

## **9.6 CONTRACT UNIT WITH OTHER SUBSIDIES**

In accordance with 24 CFR 982.521, the RAA will consider whether the contract unit is receiving other subsidies when determining reasonable rent. Units with other subsidies may be subject to pertinent limits in addition to rent reasonableness.

## **9.7 RENT INCREASES TO OWNERS**

Owners seeking a contract rent increase must send a written request to the RAA, copied to the tenant, at least 60 days prior to the proposed date of the increase. The contract rent may not be increased until after the initial term of the lease, or after one year has elapsed from a prior contract rent increase.

The RAA may not approve and the owner may not receive any increase of rent to owner until unless and until the owner has complied with requirements of the HAP contract, including compliance with NSPIRE. The owner may not receive any retroactive increase of rent for any period of noncompliance. If the owner submitted a rent increase timely and the unit becomes compliant, the RAA must honor the rent increase. No retro payments will be made during the non-compliance time period.

The RAA will not approve a rent increase for any apartment that is considered in violation of inspection standards for deficiencies attributable to the owner.

If 20% of the units in a project-based development have failed HQS inspection and are in a non-compliance status, the Director of Leased Housing may deny a yearly rent increase for all units in the same property.

## **9.8 RENT INCREASES IN SUBSIDIZED BUILDINGS**

In all cases, the requested rent must meet EOHLC's rent reasonableness test. When the approved rents in subsidized buildings exceed the published FMR, the RAA will treat the request for rent increase in exactly the same way as any other owner request for an exception rent. The owner must operate within the regulatory parameters of the building subsidy type and the Section 8 voucher regulations for in-place voucher tenants.

# CHAPTER 10 : PAYMENT STANDARDS AND UTILITY ALLOWANCES

## 10.1 PAYMENT STANDARDS

[24 CFR 982.503]

The payment standard sets the maximum subsidy payment a family can receive from the RAA each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. For most jurisdictions, FMRs are set at the 40th percentile of rents in the market area.

EOHLC must institute a payment standard schedule that establishes payment standard amounts for each FMR area within EOHLC's jurisdiction, and for each unit size within each of the FMR areas. For each unit size, EOHLC may establish a single payment standard amount for the whole FMR area or may set different payment standards for different parts of the FMR area. Unless HUD grants an exception, EOHLC is required to establish a payment standard within a "basic range" established by HUD – between 90 and 110% of the published FMR for each unit size.

Effective March 1, 2024, EOHLC implemented use of Small Area Fair Market Rents (SAFMR) for all mobile federal vouchers. The RAAs will use payment standards set at the current designated percentage of SAFMR for most communities. EOHLC will update payment standard percentages as necessary with a memo to the RAAs.

### 10.1.1 Updating Payment Standards

EOHLC will review the appropriateness of the payment standards on an annual basis when the new FMR is published. In addition to ensuring the payment standards are always within the "basic range," EOHLC may consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

- **Funding Availability:** EOHLC will review the budget to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served. EOHLC will compare the number of families who could be served under revised payment standard amounts with the number assisted under current payment standard amounts.
- **Rent Burden of Participating Families:** Rent burden will be determined by identifying the percentage of families, for each unit size, that are paying more than 30% of their monthly adjusted income as the family share. When 40% or more of families, for any given unit size, are paying more than 30% of adjusted monthly income as the family share, EOHLC will consider increasing the payment standard. In evaluating rent burdens, EOHLC will not include families renting a larger unit than their family unit size.
- **Quality of Units Selected:** EOHLC will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are only made when needed to reach the mid-range of the market.
- **Changes in Rent to Owner:** EOHLC may review a sample of the units to determine how often owners are increasing or decreasing rents and the average percent of increases/decreases by bedroom size.
- **Unit Availability:** EOHLC will review the availability of units for each unit size, particularly in areas with low concentrations of poor and minority families.

- Lease-up Time and Success Rate: EOHLC will consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.
- Increases in utility allowances: Payment standards within the basic range may be adjusted if utility allowances increase significantly during the year so that families attempting to lease a new unit are not affected by the 40% of income rule simply because of increased utility costs. The RAA must seek EOHLC approval prior to implementing any payment standard changes for this reason.

EOHLC will revise and implement its payment standard amount and schedule, if a revision is necessary to stay within the basic range, no later than three months following the effective date of the change in the FMR. Pursuant to this change, a new payment standard schedule may go into effect on or after the effective date of the published FMR, but no later than three months following the effective date of the published FMR [Notice PIH 2018-01].

The following scenarios apply:

- For reexaminations of income with an effective date prior to the effective date of the new payment standard schedule, the old payment standard schedule will be used.
- For reexaminations of income that are effective on or after the effective date of the new payment standard schedule, the new payment standard will be used.
- The payment standard employed for a newly issued voucher will depend on the effective date of the HAP contract. If the effective date of the HAP contract is before the effective date of the new payment standard schedule, then the old payment standard schedule is used. If the effective date of the HAP contract is on or after the effective date of the new payment standard schedule, then the new payment standard schedule is used.

### 10.1.2 Exception Payment Standards

EOHLC must request HUD approval to establish payment standards that are higher than the basic range. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the FMR area. HUD may approve an exception payment standard amount (in accordance with program requirements) for all units, or for all units of a given size, leased by program families in the exception area. Any PHA with jurisdiction in the exception area may use the HUD-approved exception payment standard amount. The total population of all HUD-approved exception areas in an FMR area may not include more than 50% of the population of the FMR area.

### 10.1.3 Payment Standard Exceptions & Reasonable Accommodations

**Non-MTW Policy:** A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) or request for contract rent increase is submitted. The family must document the need for the exception. (See [CHAPTER 2](#) for a discussion of reasonable accommodations.) This type of exception does not affect EOHLC's payment standard schedule.

EOHLC may approve a payment standard of not more than 120% of the FMR without HUD approval if required as a reasonable accommodation for a family that includes a person with disabilities. Approval of exception payment standards is subject to EOHLC determinations as outlined in the EOHLC policy.

A reasonable accommodation request for an exception payment standard that exceeds 120% of the FMR must be submitted to EOHLC. In turn, EOHLC will submit it to HUD's Washington D.C. office for regulatory waiver and approval.

In order for EOHLC to approve an exception payment standard, EOHLC and the RAA must determine that (see [Notice PIH 2013-18](#)):

- The family requested lease approval for the unit and requested an exception payment standard as a reasonable accommodation.
- There is a shortage of affordable units that would be appropriate for the family.
- The family’s rent share would otherwise exceed 40% of adjusted monthly income.
- The rent for the unit is reasonable.
- The unit has features that meet the needs of a family member with disabilities. For example, a unit may be suitable because of its physical features or for other reasons, such as having the requisite number of bedrooms, location on an accessible transit route, or proximity to accessible employment, education, services, or recreation.

One person at EOHLC must be responsible for approving all exception payment standards. Approvals must be in writing and kept in the participant file.

**MTW Policy**

EOHLC is authorized to approve, without HUD approval, any documented and reasonable exception to payment standards as a reasonable accommodation for HCV households with disabled household members. This policy is utilized without regard to the percentage increase over the payment standard.

A family that requires a reasonable accommodation, or that meets other criteria specified by EOHLC under its MTW program, may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the reasonable accommodation, including evidence of the disability and/or the necessity of the accommodation.

In order for EOHLC to approve an exception, the RAA must demonstrate that:

- There is a shortage of affordable units that would be appropriate for the family.
- The family’s rent share would otherwise exceed 40% of adjusted monthly income.
- The rent for the unit is reasonable.
- In the case of a reasonable accommodation, the unit has features that meet the needs of a family member with disabilities.

**10.1.4 Unit-by-Unit Exceptions**

Other than the above, unit-by-unit exceptions to EOHLC’s payment standards generally are not permitted.

**10.1.5 “Success Rate” Payment Standard Amounts**

If a substantial percentage of families have difficulty finding a suitable unit, EOHLC may request a “success rate payment standard” that applies to the entire jurisdiction. If approved by HUD, a success rate payment standard allows EOHLC to set its payment standards at 90-110% of a higher FMR (the 50th, rather than the 40th percentile FMR). To support the request, EOHLC must demonstrate that during the most recent six-month period for which information is available:

- Fewer than 75% of families who were issued vouchers became participants.
- EOHLC had established payment standards for all unit sizes, and for the entire jurisdiction, at 110% of the published FMR.
- EOHLC had a policy of allowing voucher holders who made sustained efforts to locate units at least 90 days to search for a unit.

Although HUD approves the success rate payment standard for all unit sizes in the FMR area, EOHLC may choose to adjust the payment standard for only some unit sizes in all, or a designated part, of EOHLC’s jurisdiction within the FMR area.

### 10.1.6 Decreases in the Payment Standard Below the Basic Range

[24 CFR 982.503(d)]

EOHLC must request HUD approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. HUD will not approve a lower payment standard if the family share for more than 40% of program participants exceeds 30% of adjusted monthly income.

## 10.2 UTILITY ALLOWANCES

[24 CFR 982.517]

**Non-MTW Policy:** The RAA must maintain a utility allowance schedule for (1) all tenant-paid utilities, (2) the cost of tenant-supplied refrigerators and ranges, and (3) other tenant-paid housing services such as trash collection.

The utility allowance schedule must be determined 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. In developing the schedule, the RAA must use normal patterns of consumption for the community as a whole, and current utility rates.

The utility allowance must include the utilities and services that are necessary in the locality to provide housing that complies with housing quality standards. Costs for telephone, cable/satellite and television are not included in the utility allowance schedule.

In the utility allowance schedule, the RAA must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection; other electric; cost of tenant-supplied refrigerator; cost of tenant-supplied range; applicable surcharges and other specified housing services.

The cost of each utility and housing service must be stated separately by unit size and type.

### MTW Policy

EOHLC utilizes a utility allowance schedule, regardless of fuel type, geographical area and building type, for tenant-paid heat and other electricity only. The utility allowance schedule includes the utility allowance for heat and other electricity. The RAA will apply the utility allowance for tenant-paid heat and other electricity using the smaller of the unit size or bedroom size.

In 02/01/2023, EOHLC reintroduced utility allowances for cooking and hot water as part of a two-year pilot program. Effective 05/01/2025, EOHLC concluded this utility pilot program. Utility allowances for any other tenant-paid utilities will not be provided, except in the case of reasonable accommodation. In developing the UA schedule for heat, in addition to basing the heat utility allowance on typical cost and consumption, EOHLC used a weighted average of the two highest fuel types by bedroom size.

In developing the UA schedule for other electricity, EOHLC calculated the utility allowance using assumed electric cost based on kWh per bedroom size, generation charges and customer fee, weighted by EOHLC's RAA.

The table below includes EOHLC's programs and their related applicability to the MTW UA allowance policy.

<b>MTW Utility Allowance Program Applicability Table</b>	
<b>Program</b>	<b>Apply MTW UA Policy Yes or No</b>
Designated Housing	Yes
MTW FSS Participants	Yes
FUP	Yes
Housing Options Program	Yes
Little MTW (FES: Family Economic Stability)	Yes
Mainstream 1	Yes
Port Ins	Yes
Project-Based	Yes
Raising the Next Generation	Yes
Tenant Based	Yes
EHV	Yes
Section 221 Project	Yes
Section 236 Project	Yes
Section 515 Project for rural housing	Yes
Mod Rehab	No
HOME (Tenant-Based Vouchers only)	No
LIHTC (Tenant-Based Vouchers only)	No
Mainstream 5	Yes
Port Outs	No
VASH	Yes
<b>Non-Section 8 Programs</b>	
AHVP	N/A
MRVP	N/A
Shelter Plus Care	N/A
Mod Rehab SRO	N/A
<b>Consistent with Published HUD Guidance</b>	
Enhanced Vouchers	Determinations to be made at the time of award and one year after, as applicable.
MTW Preservation Initiatives & RAD	Determinations to be made at the time of award and one year after, as applicable.

### 10.2.1 Air Conditioning

The majority of housing units in EOHLC's jurisdiction do not include central air conditioning. Therefore, EOHLC has not included an allowance for air conditioning in its utility allowance schedule.

### 10.2.2 Reasonable Accommodation – Utility Allowances

EOHLC will approve a utility allowance amount higher than shown on EOHLC's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. (See [Reasonable Accommodation](#) or policy information on reasonable accommodations and utility allowances.) For example, if a family member with a disability requires such an accommodation, EOHLC will approve an allowance for air conditioning, even if EOHLC has previously determined that an allowance for air conditioning generally is not needed (see [CHAPTER 2](#) for policies regarding the request and approval of reasonable accommodations).

Where the other electricity utility allowance policy provides a UA for other electricity and a household has an approved reasonable accommodation for other electricity which is higher than the other electric from the UA table, the RAA will use the higher of the reasonable accommodation other electric UA or the other electric UA from its UA table.

### 10.2.3 Utility Allowance Revisions

**Non-MTW Policy:** The RAA will review its schedule of utility allowances each year and will revise the schedule if there has been a change of 10% or more in any utility rate since the last time the allowance for that utility was revised. The utility allowance schedule must be prepared and submitted on HUD Form-52667.

The RAA will maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.

Current [utility allowance schedules](#) are posted on the EOHLC website. Copies of the payment standard and utility allowance schedules are available for review in the RAA's offices during normal business hours.

Updated utility allowances and back-up documentation are due to EOHLC within required timeframes. EOHLC approval of utility allowance schedules are not required prior to implementation.

The RAA will follow HUD guidance regarding the methodology for establishing utility allowance schedules.

#### MTW Policy

EOHLC will periodically, at its discretion, review utility allowance schedules to determine if adjustments are required. Annual updates will not be required.

### 10.2.4 Determining Unit Size for Applying the Utility Allowance

Only bedrooms will be used to determine the size of the unit for utility allowance calculations. Rooms not intended for sleeping will not be used to determine the unit size for utility allowance calculations.

### 10.2.5 Direct Payment of Tenant Utilities

If the housing assistance payment exceeds the rent to owner, the RAA may pay the balance of the payment either to the family or directly to the utility supplier to pay the utility bill [984.514(b)].

EOHLC recommends that RAAs utilize the option to pay the utility companies directly when the family has a history of non-compliance with HQS, due to non-payment of utilities. See policies on [Utility Reimbursement](#).

# CHAPTER 11 : GENERAL LEASING POLICIES

## 11.1 INTRODUCTION

In order for the RAA to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, the RAA must determine that all the following program requirements are met:

- The unit itself must qualify as an eligible unit [24 CFR 982.305(a)]
- The unit must be inspected by the RAA and meet the Housing Quality Standards (HQS) [24 CFR 982.305(a)]
- The lease offered by the owner must be approvable and must include the required Tenancy Addendum [24 CFR 982.305(a)]
- The rent to be charged by the owner for the unit must be reasonable [24 CFR 982.305(a)]
- The owner must be an eligible owner, approvable by the RAA, with no conflicts of interest [24 CFR 982.306]
- For families initially leasing a unit only: Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family cannot exceed 40% of the family's monthly adjusted income [24 CFR 982.305(a)]

## 11.2 TENANT SCREENING

EOHLC and the RAA have no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy [24 CFR 982.307(a)(1)]. The owner is responsible for screening and selection of the family to occupy the owner's unit at or before approval of the tenancy. The RAA will inform the owner of that responsibility.

The RAA will inform owners of their responsibility to screen tenants and, if requested, will provide prospective owners with the known name and address information for the family's current owner, at the time of the initial HQS inspection or before.

The RAA will inform the owner or manager of their responsibility to comply with VAWA (24 CFR Part 5 Subpart L). The RAA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

## 11.3 OWNER PARTICIPATION

EOHLC and the RAA do not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the RAA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in the HCV program [24 CFR 982.306(e)].

See [Owner Qualifications](#) for a full discussion of owner qualification to participate in the HCV program.

## 11.4 INELIGIBLE UNITS

[24 CFR 982.352(a)]

The RAA may not assist a unit under the voucher program if the unit is:

- A public housing or Indian housing unit.
- A unit receiving project-based assistance under section 8 of the 1937 Act (42 USC 1437f).
- In a nursing home, board and care home, or facilities providing continual psychiatric, medical, or nursing services.

- In a college or other school dormitories.
- A unit on the grounds of penal, reformatory, medical, mental, and similar public or private institutions.
- A unit occupied by its owner or by a person with any interest in the unit.

## **11.5 ELIGIBLE UNITS**

Generally, a voucher-holder family may choose any available rental dwelling unit on the market in EOHLC’s jurisdiction. This includes the dwelling unit they are currently occupying.

### **11.5.1 PHA-Owned Units**

[24 CFR 982.352(b)]

EOHLC and some RAAs may have eligible PHA-owned units available for leasing under the voucher program. The RAA will inform the family of this housing at the time of the briefing. The RAA will also inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by EOHLC or the RAA.

### **11.5.2 Duplicative Assistance**

[24 CFR 982.352(c)]

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance.
- Other Section 8 assistance (including other tenant-based assistance).
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974).
- Section 101 rent supplements.
- Section 236 rental assistance payments.
- Tenant-based assistance under the HOME Program.
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration).
- Any local or state rent subsidy.
- Section 202 supportive housing for the elderly.
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance).
- Any other duplicative federal, state, or local housing subsidy, as determined by HUD. For this purpose, “housing subsidy” does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

### **11.5.3 Housing Quality Standards (HQS)**

[24 CFR 982.305 and 24 CFR 982.401]

In order to be eligible, the dwelling unit must be in decent, safe, and sanitary condition. This determination is made using HUD’s HQS standards and/or equivalent state or local standards approved by HUD. [Subsidy Standards and Voucher Issuance](#), for a full discussion of the NSPIRE standards, as well as the process for NSPIRE inspection at initial lease-up.

#### **11.5.4 Unit Size**

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. A family must be allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable HQS space requirements [24 CFR 982.402(d)]. The family must be allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family subject to the rent burden policy discussed below. See [Subsidy Standards and Voucher Issuance](#), for a full discussion of subsidy standards.

#### **11.5.5 Rent Reasonableness**

[24 CFR 982.305 and 24 CFR 982.507]

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See [CHAPTER 9](#) for a full discussion of rent reasonableness and the rent reasonableness determination process.

#### **11.5.6 Rent Burden**

[24 CFR 982.508]

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the dwelling unit rent must be at a level where the family's share of rent does not exceed 40% of the family's monthly adjusted income. See

[Calculating Family Share and Subsidy](#) Amounts for a discussion of calculation of gross rent, the use of payment standards, and calculation of family income, family share of rent, and HAP.

### **11.6 REQUIREMENTS FOR LEASING**

After the family is issued a voucher, the family must locate an eligible unit, with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request the RAA to approve the assisted tenancy in the selected unit.

The owner and the family must submit all requested documents to the RAA including but not limited to the completed Request for Tenancy Approval (RFTA) and a copy of the proposed lease. The lease must include the prescribed HUD Tenancy Addendum.

Both the RFTA and the proposed lease must be submitted no later than the expiration date stated on the voucher.

#### **11.6.1 Request for Tenancy Approval (RFTA)**

[Form HUD-52517]

The RFTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, and the requested beginning date of the lease, necessary for the RAA to determine whether to approve the assisted tenancy in this unit.

Owners must certify that they are not the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless the RAA has granted a request for reasonable accommodation for a person with a disability who is a member of the tenant household.

For units constructed prior to 1978 (and proposed to be occupied by a family with a child under the age of six), owners must provide documentation that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector.

The RFTA must be signed by both the family and the owner. The RFTA may be submitted by or on behalf of the family to the RAA or the owner may submit the RFTA on behalf of the family.

The completed RFTA (including the proposed dwelling lease) must be submitted in person, email, by mail, or by fax.

The family may not submit, and the RAA will not process, more than one RFTA at a time. When the family submits the RFTA, the RAA will review the RFTA for completeness. If the RFTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RFTA, the RAA will notify the family and the owner of the deficiencies.

Missing information and/or missing documents will be accepted in person, by mail, email or by fax. Corrections that are minor can be accepted by phone and adjusted by the Housing Specialist.

When the family submits the RFTA and proposed lease, the RAA will also review the terms of the RFTA for consistency with the terms of the proposed lease.

If the terms of the RFTA are not consistent with the terms of the proposed lease, the RAA will notify the family and the owner of the discrepancies.

Corrections to the terms of the RFTA and/or the proposed lease will be accepted in person, by mail, email or by fax. The RAA will not accept corrections by phone.

Because of the time-sensitive nature of the tenancy approval process, the RAA will attempt to communicate with the owner and family by phone, fax, or email. The RAA will use mail when the parties can't be reached by phone, fax, or email.

### **11.6.2 Lease and Tenancy Addendum**

The family and the owner must execute and enter into a written dwelling lease for the assisted unit. This written lease is a contract between the tenant family and the owner; EOHLC and the RAA are not a party to this contract. However, the owner must provide a copy to the RAA and the RAA will ensure that both the owner and the assisted family receive copies of the dwelling lease.

The tenant must have legal capacity to enter a lease under state and local law. "Legal capacity" means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner. [24 CFR 982.308(a)]

#### **11.6.2.1 Lease Form and Tenancy Addendum**

[24 CFR 982.308]

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, that standard lease form or the EOHLC model lease must be used for assisted tenants. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, including the EOHLC model lease for assisted tenants. The HAP contract contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease is in such standard form.

All provisions in the required Tenancy Addendum must also be added word-for-word to the owner's standard lease form, for use with the assisted family. EOHLC's model lease contains the Tenancy Addendum.

The Tenancy Addendum includes the tenancy requirements for the program and the composition of the household as approved by the RAA. As a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner and the terms of the Tenancy Addendum shall prevail over any other conflicting or inconsistent provisions of the lease.

### **11.6.2.2 Lease Information**

[24 CFR 982.308(d)]

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant
- The unit rented (address, apartment number, and any other information needed to identify the contract unit).
- The term of the lease (initial term and any provisions for renewal).
- The amount of the monthly rent to owner.
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

### **11.6.2.3 Term of Assisted Tenancy**

Except as provided below, the initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309]. The initial lease term is also stated in the HAP contract.

An exception will be made if the tenancy initially commences following the first of the month in which case the RAA should only approve the lease for an “annual” initial period that runs for 11 months plus the remaining days of the first month, e.g., a lease commencing 2/2/24 shall have initial term through 1/31/25. It is further noted that subsequent terms of such a tenancy will ordinarily be for one-year periods unless the form of lease provides a different term.

The RAA may approve a shorter initial lease term if it determines that:

- Such shorter term would improve housing opportunities for the tenant.
- Such shorter term is the prevailing local practice.

During the initial term of the lease, the owner may not raise the rent to owner [24 CFR 982.309].

Any provisions for renewal of the dwelling lease will be stated in the dwelling lease. There are no HUD requirements regarding any renewal extension terms, except that they must be in the dwelling lease if they exist.

The RAA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC [24 CFR 982.309(a)(4)].

### **11.6.2.4 Security Deposit**

[24 CFR 982.313(a) and (b)]

The RAA will allow the owner to collect any security deposit amount the owner determines is appropriate provided that the security deposit amount is in compliance with [M.G.L. c. 186, § 15B](#), is not in excess of private market practice, or is not in excess of the amounts charged by the owner to unassisted tenants.

### **11.6.2.5 Separate Non-Lease Agreements Between Owner and Tenant**

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner minus the RAA housing assistance payments (HAP) to the owner [24 CFR 982.451(b)(4)].

The owner may not charge the tenant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)].

EOHLC permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family.

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

Separate non-lease agreements that involve additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

#### **11.6.2.6 The Review of The Lease**

The RAA will review the dwelling lease for compliance with all applicable program requirements.

If the dwelling lease is incomplete or incorrect, the RAA will notify the family and the owner of the deficiencies. Missing and corrected lease information will be accepted in person, by mail, or by fax. The RAA will not accept missing and corrected information over the phone.

Because the initial leasing process is time-sensitive, the RAA will attempt to communicate with the owner and family by phone, fax, or email. The RAA will use mail when the parties can't be reached by phone, fax, or email.

The RAA will not review the owner's lease for compliance with state/local law.

#### **11.6.3 Tenancy Approval**

[24 CFR 982.305]

The RAA will complete its tenancy approval/denial determination within 15 business days after receiving all required information. Required information includes all documentation pertaining to lease review and eligibility of unit matters, review of agency conflicts of interest involving the owner/landlord or tenant, the approval of the landlord, the approval of the unit following NSPIRE Inspection, and determinations of rent reasonableness.

If the RAA determines that the tenancy cannot be approved for any reason, the owner and the family will be notified in writing and given the opportunity to address any reasons for disapproval. The RAA will instruct the owner and family of the steps that are necessary to approve the tenancy.

Where the tenancy is not approvable because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability (including rent burden and rent reasonableness), the RAA will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the otherwise-eligible tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

#### **11.6.4 HAP Contract Execution**

[24 CFR 982.305]

The HAP contract is a written agreement between the RAA and the owner of the dwelling unit occupied by an HCV-assisted family. Under the HAP contract, the RAA agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit and obliges the owner to comply with all program requirements. The HAP contract format is prescribed by HUD.

The HAP contract is used for all HCV program tenancies except for assistance under the Section 8 homeownership program, and assistance to families that own a manufactured home and lease the space. See [CHAPTER 19](#) for a discussion of any special housing types included in EOHLC's HCV program.

If the RAA has given approval for the family of the assisted tenancy, the owner and the RAA execute the HAP contract. The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a)(2)].

The RAA is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

The RAA must make their best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term. The RAA may not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the RAA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60-day period is void, and the RAA may not pay any housing assistance payment to the owner.

The owner and the RAA will execute the HAP contract. The RAA will not execute the HAP contract until the owner has demonstrated that he/she has met the program requirements. The RAA will ensure that the owner receives a copy of the executed HAP contract. See [CHAPTER 18](#) for a discussion of owner responsibilities and the HAP contract and contract provisions.

#### **11.7 CHANGES IN LEASE OR RENT**

[24 CFR 982.308]

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the RAA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, the RAA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, voucher assistance in the unit shall not be continued unless the RAA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RFTA) along with a new dwelling lease containing the altered terms. A new tenancy must then be approved in accordance with this chapter.

For policies regarding changes in rent, see [CHAPTER 9](#).

# CHAPTER 12 : CONTINUED OCCUPANCY

## 12.1 INTRODUCTION

The RAA is required to reexamine each family's income and composition regularly, and to adjust the family's level of assistance accordingly. The RAAs currently conduct regular reexaminations for the MTW families annually, biennially, and triennially. Non-MTW families are on an annual cycle. Beginning in 2026, all tenants will be placed on annual regular reexamination cycle (see 12.4.1 Reexamination Cycle). Interim reexaminations are also needed in certain situations. This chapter discusses both regular and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both regular and interim reexaminations.

## 12.2 FAMILY OBLIGATIONS

Obligations of the family are described in the Housing Choice Voucher (HCV) Program regulations and on the voucher itself. These obligations include responsibilities the family is required to fulfill, as well as prohibited actions. When the family's unit is approved and the HAP contract is executed, the family must meet those obligations in order to continue participating in the program. Violation of any family obligation may result in termination of assistance, as described in CHAPTER 15.

### Family Obligations

[24 CFR 982.551]

The following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that EOHLC, the RAA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by EOHLC, the RAA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify Social Security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any HQS inspection standard breach by the family caused by failure to pay for tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.
- The family must allow the RAA to inspect the unit at reasonable times and after reasonable notice, as described in CHAPTER 8 of this plan.
- The family must not commit any serious or repeated violation of the lease.
- The family must notify the RAA and the owner before moving out of the unit or terminating the lease. The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the RAA at the same time the owner is notified.
- The family must promptly give the RAA a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by the RAA.

- The family must not sublease the unit, assign the lease, or transfer the unit. Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.
- The family must promptly notify the RAA when the family is absent from the unit (see [Absence from the Unit](#)).
- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease.
- The family and household members (including live-in aides) must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program (see [CHAPTER 17](#) for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See [CHAPTER 15](#) for HUD and EOHLC policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See [CHAPTER 15](#) for a discussion of HUD and EOHLC policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state, or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the RAA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities.

## 12.3 TIME FRAMES FOR REPORTING CHANGES & PROVIDING INFORMATION

### Family Responsibility

Unless otherwise noted, when family obligations require the family to respond to a request for information/documents, the family will be required to provide the information/documents within seven business days.

Unless otherwise noted, when family obligations require the family to notify the RAA of a change, i.e., change in income or a change in family composition, 15 business days is the required time frame.

When a family is required to provide notice the RAA, the notice must be in writing.

### RAA Responsibility

When a request to alter the adjusted income is made by the family to the RAA, the subsequent interim reexamination should be completed by the RAA no more than 30 days after the request is made and/or necessary verifications have been submitted.

## 12.4 REGULAR REEXAMINATIONS

The RAA must conduct a regular reexamination of family income and composition. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated.

### **12.4.1 Reexamination Cycle**

#### **12.4.1.1 Annual Cycle**

Currently, residents living in Mod Rehab, Mod Rehab SRO units and administered Port-In vouchers recertify annually. EOHLC will be reinstating annual reexaminations for all households assisted under EOHLC's federal subsidy programs. Beginning with January 2026 reexaminations, all participants households must recertify on an annual basis (previously, only Mod Rehab, Mod Rehab SRO, and Port-In vouchers recertified annually).

#### **12.4.1.2 Biennial and Triennial Cycles**

With the reintroduction of annual regular reexamination cycle to all participants, the MTW policies concerning biennial and triennial reexamination cycles have been placed on indefinite hold. EOHLC reserves the right to reinstate biennial or triennial reexaminations at a later date.

### **12.4.2 Scheduling Regular Reexaminations**

The RAA will begin the regular reexamination process 120 days in advance of its scheduled effective date. Generally, the RAA will schedule regular reexamination effective dates to coincide with the family's anniversary date. The RAA also may schedule a regular reexamination for completion prior to the anniversary date for administrative purposes.

Anniversary date is defined as: 12 months from the effective date of the family's last regular reexamination; or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

If the family moves to a new unit, the RAA will perform a new regular reexamination and will update the family's anniversary date to coincide with the new lease/HAP contract anniversary date. If the family's latest regular reexamination effective date is no more than four months prior to the new HAP contract anniversary, The RAA will ascertain whether there has been any change in the family's adjusted income since the last regular reexamination and, if so, obtain acceptable verification of only the change. The RAA will then use any new verified information together with information from the last regular reexamination to redetermine the family share of rent and the subsidy payment (see [General Verification Requirements](#)).

### **12.4.3 Notification of and Participation in the Regular Reexamination Process**

Families generally are required to participate in a regular reexamination interview, which must be attended by the head of household, spouse, or co-head. If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact the RAA to request a reasonable accommodation (see [CHAPTER 2](#)).

Notification of regular reexamination interviews will be sent by either first-class mail or electronically and will contain the date, time, and location of the interview. In addition, it will inform the family of the information and documentation that must be brought to the interview.

If the family is unable to attend a scheduled interview, the family should contact the RAA in advance of the interview to schedule a new appointment. If a family does not attend the scheduled interview, the RAA will send a second notification with a new interview appointment time.

If a family fails to attend two scheduled interviews without the RAA's approval, or if the notice is returned by the post office with no forwarding address, a notice of termination (see [CHAPTER 15](#)) will be sent to the family's address of record, and to any alternate address provided in the family's file.

An advocate, interpreter, or other assistant may assist the family in the interview process. The family and the RAA must execute a certification attesting to the role and assistance of any such third party.

#### **12.4.4 Conducting Regular Reexaminations**

Families will be asked to bring (or mail) all required information (as described in the reexamination notice) to the reexamination appointment.

Any required documents or information must be provided by the family within the required time frame ([Time Frames For Reporting Changes & Providing Information](#)). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be sent a notice of termination (see [CHAPTER 15](#)).

The information provided by the family generally must be verified in accordance with the policies in [CHAPTER 6](#). Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on a regular basis. These include:

- Legal identity
- Age
- Social Security numbers
- A person's disability status
- Citizenship or immigration status

#### **12.4.5 Mail-In Reexamination**

The RAA may complete mail-in reexaminations. However, except for a birth, adoption, or court-awarded custody of a child, mail-in reexaminations cannot be completed when there is a change in the household composition. If the tenant has had a change in household composition or is requesting to add or remove a household member, the RAA will send the household a reexamination appointment letter to schedule an on-site reexamination appointment.

If the reexamination package is returned to the RAA as undeliverable, the RAA will mail the household a termination letter and follow applicable termination policies.

#### **12.4.6 Documents Not Returned Timely – Mail-In Reexamination**

If reexamination documents have not been returned to the RAA, the RAA will send a mail-in reexamination reminder notice. If the household fails to return the packet by the specified deadline, the RAA will schedule an on-site reexamination appointment and send the household an appointment letter. If the household fails to attend the scheduled on-site reexamination appointment, the RAA will send the tenant a termination letter and follow applicable termination policies.

#### **12.4.7 Missing Information – Mail-In Reexamination**

If the household does not or is unable to provide all required information/documents needed to complete the mail-in reexamination, the RAA will send a request for additional information. This information must be provided by the household by the specified deadline; however, the household may request an extension. If the household does not provide the required documents or information within the required time frame (plus any extensions), the tenant will be sent a termination letter.

#### **12.4.8 Effective Dates for Rent Changes – Regular Reexaminations**

In general, an increase in the family share of the rent that results from a regular reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If fewer than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.

If the RAA chooses to schedule a regular reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the RAA but will always allow for the 30-day notice period.

If the family causes a delay in processing the regular reexamination, increases in the family share of the rent will be applied retroactively to the originally scheduled effective date of the regular reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in

#### [Repayment Agreement](#).

In general, a decrease in the family share of the rent that results from a regular reexamination will take effect on the family's anniversary date.

If a family moves to a new unit, the decrease will take effect on the effective date of the new lease and HAP contract.

If the family causes a delay in processing the regular reexamination, decreases in the family share of the rent will not be applied retroactively to the originally scheduled effective date of the reexamination but will be applied prospectively, as of the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to participate in the reexamination process and/or to provide information requested by the RAA by the date specified, and this delay prevents the RAA from completing the reexamination as scheduled.

#### **12.4.9 Determining Ongoing Eligibility of Live-In Aides**

For continued approval of a live-in aide, the live-in aide must personally sign the Live-In Aide Certification Form at each regular reexamination.

#### **12.4.10 Determining Ongoing Eligibility of Certain Students**

[24 CFR 982.552(b)(5)]

If a student enrolled in an institution of higher education does not meet the requirements for independent student as referenced in the policies on [Students Enrolled in Institutions of Higher Education](#), the student's eligibility must be reexamined along with the income eligibility of the student's parents on a regular basis. In these cases, both the student and the student's parents must be income eligible for the student to continue to receive HCV assistance. If, however, a student in these circumstances is determined independent from his or her parents in accordance with EOHLC policy, the income of the student's parents will not be considered in determining the student's ongoing eligibility.

Students who reside with parents in an HCV-assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.

During the regular reexamination process, the RAA will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in 24 CFR 5.612 by reviewing the student's individual income as well as the income of the student's parents.

If the student has been determined "independent" from their parents based on the policies on [Students Enrolled in Institutions of Higher Education](#) and subject to verification of this student's status per the policies in [Verification of Student Status](#), the parents' income will not be reviewed.

If the student is no longer income eligible based on their own income or the income of their parents, the student's assistance will be terminated in accordance with the policies in [CHAPTER 15](#).

If the student continues to be income eligible based on their own income and the income of their parents (if applicable), the RAA will process a reexamination in accordance with the policies in this chapter.

#### **12.4.11 State Lifetime Sex Offender Registration**

The RAA will require households at each regular reexamination to answer questions related to criminal activity and sex offender registration requirement.

If it is revealed that a household member admitted after June 25, 2001, is subject to a lifetime sex offender registration requirement, or that the tenant has falsified information or otherwise failed to disclose his or her criminal history on their application and or reexamination forms, the RAA will pursue termination of assistance to the extent currently allowed by law. See [CHAPTER 15](#).

All tenants determined not suitable and/or ineligible have a right to a hearing to present extenuating circumstances and have a right to legal representation, prior to termination.

#### **12.4.12 Household Member Turning 18 Between When the Reexamination Documents are Completed and Provided to the PHA & the Effective Date of Reexamination**

##### Income & Deductions

When a household member turns 18 between the date the reexamination documents are completed and the effective date of the reexamination, the RAA will include the household member's income in the calculation of annual income.

For example, a household has a reexamination effective date of November 1st. The household completed the reexamination documents and provided them to the RAA on August 1st. At the time the reexamination documents were completed and provided to the RAA, one of the household members was still 17; however, they will turn 18 on September 30th. The RAA will calculate the income of that household member as if they were an adult, since the household member will be 18 by the effective date of the reexamination. Deductions will also be applied as if the household member was an adult.

##### Release Forms

When a household member will turn 18 between the date the reexamination documents are completed and provided to the RAA and the effective date of the reexamination, the RAA will have a parent/legal guardian sign any consent/release forms on behalf of that household member in order to authorize the RAA to obtain their income verification.

#### **12.4.13 Household Member Turning 18 Between Regular Reexaminations**

If a household member turns 18 between regular reexaminations, a CORI and applicable consent forms will be completed at the next regular reexamination. Changes in household income resulting from a household member turning 18 between regular reexaminations will not be applied until the next regular reexamination.

A household member who turns 18 between regular reexaminations will be required to report applicable changes in income if the household is a zero-income household. See [Zero-Income Households](#). In this circumstance, an interim reexamination will be conducted when the household member turns 18.

### **12.5 INTERIM REEXAMINATIONS**

An Interim Reexamination is done when there is a need to reevaluate the family's income due to a relevant change. The RAA may conduct interim reexaminations of income or family composition which alter household income at any time.



The RAA must conduct an interim reexamination when there is a change which will result in an increase of 10% or more in unearned annual adjusted income. When the RAA determines that an interim reexamination of income is necessary, they must ask the family to report changes in all aspects of adjusted income.

In addition to specifying what information the family must report, the family may, subject to EOHLC's policies, request an interim determination if other aspects of the family's income or composition changes. The RAA will complete the interim reexamination within a reasonable time after the family's request.

### 12.5.1 Processing the Interim Reexamination

#### Method of Reporting

The family may notify the RAA of changes either orally or in writing. If the family provides oral notice, the RAA may also require the family to submit the changes in writing. A written request in the form of email will also be accepted.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the RAA determines that an interview is warranted, the family may be required to attend.

Based on the type of change reported, the RAA will determine the documentation the family will be required to submit. The family must submit any required information or documents within the required time frame, see policies on [Time Frames For Reporting Changes & Providing Information](#). This time frame may be extended for good cause with approval of the RAA. The RAA will accept required documentation by mail, email, fax, or in person.

### 12.5.2 Required Interim Reexaminations

The RAA will conduct interim reexaminations in the following required circumstances:

- If the family's last interim reexamination resulted in a rent reduction, families are required to report all increases in income, other than Social Security cost-of-living increases, within 15 business days of the date the increase takes effect. For example, if a family member lost a job and the family's income and rent went down at an interim reexam, the family would be required to report any increase in income within 15 business days from the date the change took effect.
- If the family reported zero income at their last regular or interim reexamination, the family is required to report all increases in income within 15 business days of the date the change takes effect.
- Families paying minimum rent are required to report all increases in income within 15 business days of the date the change takes effect.
- Families with a financial hardship exemption from minimum rent are required to report any changes in household income/expenses and/or changes in circumstances that caused the financial hardship (see Hardship Requirements) within 15 business days of the date the change takes effect.
- Families who are on an interim rent reduction due to recoupment of a SS or SSI overpayment are required to report the increase in SS and/or SSI benefit within 15 business days of completion of the repayment and restoration of the full benefit.



- Families that experience an increase in unearned income of 10% or greater are required to report the increase within 15 business days from the date the change took effect. If the increase to unearned income is lower than 10%, the family is not required to report this to the RAA.

- EOHLC has established a 0% threshold for decreases in income due to families experiencing a change in family composition including the death of a household member. The family is required to report all changes in family composition within 15 business days from the date the change took place. The RAA will determine if the composition change warrants a full income redetermination. See [Zero-Income Households](#).

### 12.5.3 Nonrecurring Income

Nonrecurring income is defined as income that will not be repeated beyond the coming year (i.e. the 12 months following the effective date of the certification). Households reporting only nonrecurring income are required to report increases in income between regular reexaminations. Nonrecurring income is excluded from the calculation of annual income. Households/household members reporting only nonrecurring income will be subject to policies set forth in [Zero-Income Status](#) in the verification chapter. The RAA will conduct an interim reexamination when a household that had reported only nonrecurring income reports other income. Income received as an independent contractor, day laborer, or seasonal worker is no longer excluded from income, even if the source, date, or amount of the income varies. Please see [Section 7.3.5.1](#) for a more comprehensive list of examples of nonrecurring income.

### 12.5.4 Seasonal Income

Generally, interim reexaminations will not be conducted for seasonal or cyclic employment. See [Seasonal Income Calculation](#).

Interim reexaminations may be conducted when and if past annual income does not accurately reflect household income. In all such cases the family may present information and documentation to the RAA to show why the historic pattern does not represent the family's anticipated income.

The specific circumstances of an interim reexamination for a household with seasonal income will dictate whether the reexamination will count toward the MTW interim reexamination limit. See [Limit on Voluntary Reexaminations](#).

### 12.5.5 Zero-Income Households

Zero-income households are required to report all changes in income or benefits between regular recertification periods. The RAA will conduct an interim recertification when a zero-income household or individual reports income.

Once income or benefits are reported, the household is no longer required to report increases in income/benefits until the next regular recertification. See [Zero-Income Status](#) in the verification chapter.

Zero-income households are required to report all changes in income within 15 business days from the date the change occurred.

### 12.5.6 Changes in Family and Household Composition

The family must notify the RAA in writing within 15 business days of the birth, adoption, or court-awarded custody of a child. The family must request approval from the RAA to add any other family member as an occupant of the unit. The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The RAA will determine eligibility of the new member in accordance with the policies in [CHAPTER 4](#).

The family must notify the RAA in writing within 15 business days if any family member no longer lives in the unit.

If the RAA has given approval, a foster child, or a live-in aide may reside in the unit. EOHLC has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when the consent of the RAA may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see policies related to [Foster Children and Foster Adults](#)

The RAA will conduct an interim reexamination for any decrease in household composition which causes an income decrease.

**MTW Policy**

The RAA will conduct interim reexaminations to account for any changes in household composition that occur between regular reexaminations. Interim reexaminations required as a result of a change in family composition will not count against the limit on “voluntary” reexaminations for MTW households.

When any new family member is added, the RAA will conduct a reexamination to determine any new income or deductions associated with the additional family member, and to make appropriate adjustments in the family share of the rent and the HAP payment [24 CFR 982.516]. See [Applying Payment Standards, Subsidy Standards, and Utility Allowances](#) for the policy on applying payment standards when a change in family composition requires a change in family voucher size.

If a change in family size causes a violation of HQS space standards (see [CHAPTER 8](#)), the RAA must issue the family a new voucher, and the family must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the RAA must terminate the family’s HAP contract in accordance with its terms [24 CFR 982.403].

**12.5.6.1 New Family Members Not Requiring Approval**

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require approval from the RAA. However, the family must notify the RAA within 15 business days of the addition [24 CFR 982.551(h)(2)].

**12.5.6.2 New Family and Household Members Requiring Approval**

Families must request approval from the RAA and the property owner to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 30 consecutive days or 90 cumulative days within a 12-month period and therefore no longer qualifies as a “guest.”

Requests must be made in writing to both the RAA and the property owner and approved by both prior to the individual moving into the unit. It is the responsibility of the family, not the RAA, to initially request and obtain the owner’s written approval for the addition of family members.

Upon receipt of the family’s request, the RAA will obtain the necessary documentation from the individual(s) to be added to the household and will perform a standard eligibility check that includes determination of eligible immigration status, criminal background and sex offender registration. The RAA will not approve the addition of a new family or household member unless the individual meets EOHLC’s eligibility criteria (see [CHAPTER 4](#)) and documentation requirements (see [CHAPTER 6](#)).

The RAA will not approve the addition of a foster child or foster adult if it will cause a violation of HQS space standards. The RAA will not approve the addition of new household members in the first year of the lease if it will cause a violation of HQS space standards. However, if the owner and the family agree to a mutual termination and the additional occupant is approved by the RAA, the RAA will issue a new voucher and the family may move.

If the RAA determines an individual meets EOHLC’s eligibility criteria and documentation requirements, the RAA will provide written approval to both the family and owner. The notice to the owner must state that failure to respond to the notice within 15 business days will constitute approval and will have the effect of amending both the lease and the HAP contract. The owner must send the written decision to both the family and the RAA.

If approved, a copy of the approval of the RAA and the owner approval, if received, will be attached to the HAP contract.

### 12.5.6.3 Disapproval of Addition of Family Members

Should the owner not agree to the addition of family members, the RAA will abide by that decision while the assisted family remains in that unit. If the owner denies the request, the family's options are as follows:

- Move by terminating the lease in accordance with its terms
- Seek mutual termination if the family is in the first year of the lease.
- Remain in unit with the family composition unchanged.

If the owner approves the request to add family members but the RAA does not, e.g., unacceptable CORI, the family must abide by the decision of the RAA and the individual(s) may not move in. If the family allows the individual(s) to move in, the RAA will terminate assistance to the family.

If the RAA determines that an individual does not meet EOHLC's eligibility criteria or documentation requirements, the RAA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

The RAA will make its determination within 15 business days of receiving all information required to verify the individual's eligibility.

### 12.5.6.4 Departure of a Family or Household Member

If a household member ceases to reside in the unit, the family must inform the RAA within 15 business days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent. If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform the RAA within 15 business days.

### 12.5.7 Voluntary Reporting

The following interim reexaminations will be considered "voluntary":

- Decrease in income for any reason, except for decrease that is subject to Imputed Welfare Income Rules. If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income, see Welfare Assistance.
- Increase in unreimbursed childcare expenses (subject to the eligibility requirements for this deduction).
- Increase in unreimbursed medical expenses (for elderly and disabled households only).



- While families may request an interim determination of family income for any change, the RAA may decline to conduct the interim if they determine that the family's annual adjusted income will decrease by an amount that is less than 10% of the family's annual adjusted income.

If a family reports a change that it was not required to report and that would result in a decrease in the family share of rent, the RAA will conduct an interim reexamination.

If a family reports a change that it was not required to report and that would result in an increase in the family share of the rent, the RAA will not conduct an interim reexamination.

### 12.5.8 Limit on Voluntary Reexaminations

**Non-MTW Policy:** For families holding non-MTW vouchers, voluntary interim reexaminations may be requested at any time. There is no limit on the number of voluntary interim reexaminations which may be requested [24 CFR 982.516].

**MTW Policy**

As of January 1, 2026, for families holding MTW vouchers, one voluntary interim reexamination is permitted between regular annual reexaminations.

Elderly and disabled MTW households, FSS participants, families participating in the SNO Mass program, and households who live in an Expiring Use project on the conversion date and select a PBV will be exempt from the limit on interim reexaminations.

The following types of interims do not count toward the limit on interim reexaminations for MTW households:

- Interim reexaminations required due to changes in family composition
- Interim reexaminations requested by families in the FSS program.
- Interim reexaminations required by EOHLC or the RAA for any reason.

Additionally, to respond to hardships which are beyond the tenant’s control (no-fault hardships), MTW households who have exceeded the limit on interim reexaminations may request an emergency interim reexamination if the loss of household income is greater than 30% and beyond the control of the family.

**12.5.9 Summary of Income/Expense Changes and Related Actions**

The table below includes both MTW and non-MTW situations and related actions:

SITUATION	ACTION
Decrease in income for any reason, except for decrease that is subject to Imputed Welfare Income Rules: <ul style="list-style-type: none"> <li>• Voluntary</li> <li>• MTW and Non-MTW</li> </ul>	For MTW households, the action is subject to the limit on interim reexaminations.
Increase in unreimbursed medical expenses (for elderly and disabled households only): <ul style="list-style-type: none"> <li>• Voluntary</li> <li>• MTW and Non-MTW</li> </ul>	The RAA will process an interim reduction in the rent.
Increase in unreimbursed childcare expenses (subject to the eligibility requirements for this deduction): <ul style="list-style-type: none"> <li>• Voluntary</li> <li>• MTW and Non-MTW</li> </ul>	The RAA will process an interim reduction in the rent. For MTW households, the action is subject to the limit on interim reexaminations.
Increase or decrease in income due to a change in family composition: <ul style="list-style-type: none"> <li>• Required</li> <li>• MTW and Non-MTW</li> </ul>	The RAA will process an interim reexamination. For MTW households, this interim reexamination will not count toward the limit on interim reexaminations.
Any increase in income: <ul style="list-style-type: none"> <li>• Following a rent decrease at an interim reexamination</li> <li>• For a family on minimum rent</li> <li>• For a family reporting zero income               <ul style="list-style-type: none"> <li>○ Required</li> <li>○ MTW and Non-MTW</li> </ul> </li> </ul>	The RAA will process an interim rent increase for any income increases. Households do not have to report the next increase in income until the next regular reexamination. For MTW households, the action will not count toward the limit on interim reexaminations.

SITUATION	ACTION
The end of the exclusion period of earned income disallowance: <ul style="list-style-type: none"> <li>• Required</li> <li>• MTW and Non-MTW</li> </ul>	The RAA will process an interim reexamination. For MTW households, the RAA action will not count toward the limit on interim reexaminations.
Any changes in household income/expenses and/or changes in circumstances for a family with a financial hardship exemption from minimum rent: <ul style="list-style-type: none"> <li>• Required</li> <li>• MTW and Non-MTW</li> </ul>	The RAA will process an interim reexamination and rent change. For MTW households, the action will not count toward the limit on interim reexaminations.
Any increase in earned income for an FSS household: <ul style="list-style-type: none"> <li>• Voluntary</li> <li>• MTW and Non-MTW</li> </ul>	The RAA will process an interim reexamination and rent change. For MTW households, the action will not count toward the limit on interim reexaminations.
Families who are on an interim rent reduction due to recoupment of a SS or SSI overpayment are required to report the increase in SS and/or SSI benefit when the repayment is complete and the full benefit restored: <ul style="list-style-type: none"> <li>• Required</li> <li>• MTW and Non-MTW</li> </ul>	The RAA will process an interim reexamination and rent change. For MTW households, the action will not count toward the limit on interim reexaminations.

**12.5.10 RAA-Initiated Interim and Non-Interim Reexaminations**

The RAA initiated interim or non-interim reexaminations are those that are scheduled based on circumstances or criteria defined by EOHLC. They are not considered “voluntary” interim reexaminations. The RAA will conduct interim reexaminations in each of the following instances:

- For non-MTW families currently receiving the Earned Income Disallowance (EID), the RAA will conduct an interim reexamination at the conclusion of the 24-month exclusion period. There should be no families newly accessing EID after 12/31/2023 as the program is being sunset.
- If at the time of the regular reexamination tenant-provided certifications were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the RAA will conduct an interim reexamination if there is a substantial difference between the income used and that received from the third party.
- If at the time of the regular reexamination or applicable interim reexamination a family has been self-employed for less than three months, accept the family’s self-certification of income and expenses and schedule an interim reexamination in three months. Request third-party documents to verify income and expenses.
- The RAA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

**12.5.11 Deceased Tenant**

Monitoring Deceased Tenant Report

The RAAs will use the Deceased Tenant Report to assist in identifying families with deceased household members.

Notifying the Owner and the Remaining Household Members

The RAA must immediately contact the head of household or emergency contact person (if the head of household is deceased and there is no other adult household member) to confirm the death of the listed household member.

The RAA must immediately contact the owner and notify them of the death. If the deceased tenant was a single member household, the RAA must notify the owner that the death will result in termination of the HAP contract and housing assistance payments.

#### Actions Required by the RAA

The RAA will complete transactions consistent with HUD PIH Notice 2012-04 including data entry requirements related to the following:

- **Death of a Sole Household Member**

Once the RAA has confirmed the death of the Head of Household, the RAA will immediately terminate program assistance. The effective date of termination will be the last day of the month in which the tenant's death occurred (e.g. if the death occurred on May 1 or May 30, the effective date of termination would be May 31).

The owner is not entitled to HAP for any month following the month in which the death occurred. If an owner receives HAP for any month in which the owner is ineligible to receive HAP because of a deceased tenant, the RAA must immediately notify the owner in writing of the ineligible HAP and require the owner to repay the overpayment to the RAA within 30 days.

When the Remaining Household Member is a live-in aide, the RAA must notify the live-in aide that they are required to vacate the unit at the end of the month.

- **Deceased Household Member of a Multiple-Member Household – Surviving Adult Household Members**

#### **Example #1: Tenant Rent Decrease**

If a family member dies on September 9th and there is a surviving adult household member, the surviving adult household member is required to report the death within 15 business days of the death. If the death would cause the tenant rent to owner to decrease, the interim reexamination will be effective the first of the month following the month in which the change was reported, and all required documentation was submitted. In this example, if the family reported the death by September 30th, the rent decrease would be effective October 1st. If the family reported the death on November 5th, the rent reduction and interim reexamination to remove the deceased household member would be effective on December 1st. The RAA will not retroactively apply the rent decrease if the family fails to timely report the death.

#### **Example #2: Tenant Rent Increase**

In a number of situations, a death would cause the tenant rent to owner to increase. For example, if a dependent family member died then the household would lose the dependent deduction and the rent would increase, or if a family member with a number of medical expenses died then the rent to owner would increase. In these cases where the death would cause the tenant rent to owner to increase, the interim reexamination will be effective the first of the month following 30 days' notice to the family. In this example, if the family reported the death by September 30th, the rent increase would be effective on November 1st. If the family failed to report the change by September 30th, the effective date of the rent increase would be applied retroactively to November 1st. Rent increases are applied retroactively to the date the rent increase would have been effective had the information been provided on a timely basis.

- Deceased Household Member of a Multiple Member Household – No Surviving Adult Household Members

Once the RAA has confirmed the death, the RAA will complete an interim reexamination. The effective date of action will be consistent with EOHLC policy on reporting requirements and processing interim reexaminations. See the example above.

At the interim reexamination, the RAA will remove the deceased household member's information and enter the adult household member's information of the temporary or permanent guardian consistent with data entry requirements of Notice PIH 2012-4.

### 12.5.12 Effective Dates for Rent Changes – Interim Reexaminations

In the above interim situations, if the family share of the rent is to increase:

- The increase generally will be effective on the first of the month following 30 days' notice to the family.
- If a family fails to report a change within the required time frames or fails to provide all required information within the required time frames, the increase will be applied retroactively to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in this plan.

In the above interim situations, if the family share of the rent is to decrease:

- The decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted.
- If the family fails to report a change within the required time frames, the decrease will not be applied retroactively to the date it would have been effective had the information been provided on a timely basis.
- In cases where the change, through no fault of the family, cannot be verified until after the date the change would have become effective, the change will be made retroactively.



As of the publication date, the following HOTMA regulations are temporarily suspended pending guidance from HUD. Please do not implement until further instructions are provided by EOHLC.

## 12.6 NON-INTERIM REEAMINATIONS

In certain situations, there may be an alteration to the family's income, assets, deductions, or household composition that does not trigger a full interim income reexamination. In these cases, the RAA will conduct a Non-Interim Reexamination which they will be required to report to HUD via HIP (or PIC).

### 12.6.1 Processing the Non-Interim Reexamination

The following RAA-initiated situations would result in a Non-Interim Reexamination:

- Adding or removing a hardship exemption for the child-care expense deduction.
- Updating or removing the phased-in hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction.
- Adding or removing general hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction.
- Adding or removing a minimum rent hardship.

- Ending a family’s EID or excluding 50 percent (decreased from 100%) of a family member’s increase in employment income at the start of the second 12-month EID period.
- Processing contract rent changes that do not correspond with an interim or annual reexamination (including PBV rent increases).
- Implementing an update to the payment standard that does not correspond with an interim or annual reexamination.

The following participant-initiated situations would result in a Non-Interim Reexamination:

- Adding or removing a non-family member (i.e., live-in aide, foster child, foster adult).
- Adding a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule.
- Removing a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule.
- Adding/updating a family or household member’s Social Security number.
- Updating a family member’s citizenship status from eligible to ineligible or vice versa, resulting in a change to the family’s rent and/or utility reimbursement, if applicable (i.e., family begins receiving prorated assistance or previously prorated assistance becomes full assistance), or updating the prorated rent calculation due to the addition or removal of family members in household with an ineligible noncitizen(s).

The RAAs will make all other changes to assets, income, and deductions at the next annual or interim reexamination of income, whichever is sooner.

**MTW Policy**

Through EOHLC’s MTW Annual Plan, the RAAs will not conduct Non-Interim Reexaminations should any of the above situations occur in an MTW household. Instead, the RAA will reevaluate the household adjusted income using established methods.



## 12.7 REMAINING MEMBERS

### 12.7.1 Family Break-Up

[24 CFR 982.315]

The RAA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up. Tenant families who separate while being assisted under the tenant-based programs will be assessed on a case-by-case basis, with the following considerations, to determine which family members remain assisted under the program.

- If a court determines the disposition of property between members of the assisted family in a divorce or separation decree or settlement, EOHLC and the RAAs are bound by the court’s determination of which family members continue to receive assistance.
- At the time of the family break-up, the head of household, co-head, or remaining family member of the household who has full legal custody of the minor children in the unit will retain the use of the tenant-based voucher. EOHLC and the RAAs must recognize that verification of legal custody may not always be possible, particularly in domestic violence situations. The RAAs are encouraged to make the best possible decisions in this regard. Custody or guardianship does not necessarily have to be court-ordered, but it is subject to verification by the RAA. See [Caretakers for a Child](#).

- In situations of split custody, where each parent receives custody of one or more children, then the subsidy will remain with the original assisted unit. If no one remains in the original assisted unit, and both parents were members of the assisted household, then the RAA has discretion to determine who retains the subsidy considering this policy and the circumstances of the individual case.
- In cases of joint custody (split visitation), the current head of household of record will retain the subsidy except when one of the following is a factor:
  - The interest of any ill, elderly, or disabled family members; or
  - The interest of any family member who is or has been the survivor of domestic violence, dating violence, sexual assault, or stalking and provides documentation in accordance with [Survivor Documentation](#) of this plan; or
  - Any possible risks to family members as a result of criminal activity.
- In cases where the head of household dies or otherwise leaves the household, leaving minor children, the new head of household will be subject to all the EOHLC eligibility and admission requirements.
- In order for a minor to continue to receive assistance as a remaining family member, the court has to have awarded emancipated minor status to the minor or the RAA has to verify that the Department of Children and Families and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period of time.
- When the family break-up is voluntary, the subsidy will not be transferred to a remaining family member if that individual was not listed as a member of the household with the RAA for at least six consecutive months immediately prior to the transfer.
- In the event that the head of household moves out of the assisted unit or dies, a remaining adult household member (with or without children in the unit) may retain use of the tenant-based voucher if that adult was part of the household for at least six consecutive months immediately prior to the head of the household's move or death, is in compliance with all program rules and regulations, and meets all other program eligibility and continued occupancy requirements.
- In cases where there is a head of household and a co-head with no minor children, the original head of household will retain the use of the tenant-based voucher.
  - If there are no minor children, then the current head of household of record will retain the subsidy except when one of the following is a factor:
    - The interest of any ill, elderly, or disabled family members
    - The interest of any family member who is or has been the survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking and provides documentation in accordance with [Survivor Documentation](#) of this plan
    - Any possible risks to family members as a result of criminal activity

If the family break-up results from an occurrence of domestic violence, dating violence, sexual assault, stalking or sex trafficking, the RAA will ensure that the survivor retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, stalking and sex trafficking, see [Survivor Documentation](#).)

In cases where a live-in aide is added to a household as a result of a care situation for an elderly or disabled household member, the live-in aide is not considered to be a remaining family member and is not eligible to retain the use of the tenant-based voucher. See [Live-In Aide](#).

Foster children and foster adults are never considered remaining family members and have no rights to the voucher or unit when and if the head of household or co-head moves out of the unit, is evicted, or is deceased.

If exceptional circumstances exist concerning the remaining member of a tenant family, a discretionary administrative determination may be made by the RAA on a case-by-case basis.

### **12.7.2 Remaining Family Members and VAWA**

If the family break-up results from an occurrence of domestic violence, dating violence, sexual assault, stalking or sex trafficking as provided in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, Stalking or sex trafficking), the RAAs will ensure that the survivor retains assistance. The factors to be considered in making this decision under the EOHLC policy include:

- Whether the assistance should remain with family members remaining in the original assisted unit.
- The interest of minor children or of ill, elderly, or disabled family members.
- Whether family members are forced to leave the unit as a result of actual or threatened domestic violence, dating violence, sexual assault, stalking or sex trafficking.
- Whether any of the family members are receiving protection as survivors of domestic violence, dating violence, sexual assault, stalking or sex trafficking, as provided in 24 CFR part 5, subpart L, and whether the abuser is still in the household.

### **12.7.3 Remaining Family Members in Special Programs**

As above, but if there is no longer a family member eligible for the supportive services offered by the targeted program administered by EOHLC, the participant family should be issued a standard HCV so that other eligible families may be assisted under the targeted program. If the remaining family members are in a targeted program that does not provide supportive services, they will retain the targeted program subsidy.

### **12.7.4 Caretakers for a Child**

If neither a parent nor a designated guardian remains in a household receiving HCV assistance, the RAA will take the following actions:

- If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.
- If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days.
- After the 90 days has elapsed, the caretaker will be considered a family member subject to the caretaker meeting EOHLC's eligibility and screening criteria unless information is provided that would confirm that the caretaker's role is temporary. In such cases, the RAA will extend the caretaker's status as an eligible visitor.
- At any time that custody or guardianship legally has been awarded to a caretaker, the housing choice voucher will be transferred to the caretaker.

## **12.8 ABSENCE FROM THE UNIT**

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 consecutive calendar days. Written notice must be provided to the RAA at the start of the extended absence. If the family will be absent

from the unit for more than 30 consecutive days, it must promptly notify both the owner and the RAA in writing and obtain approval from the RAA.

To obtain approval, the family must:

- Satisfy notice requirements.
- Provide documentation acceptable to the RAA regarding the length of absence and the reason for the absence.
- Affirm their intent to return to the unit at the end of the leave period.
- Agree to be responsible for receiving and responding to all notices sent by EOHLC or the RAA to the unit during periods of absence.
- Pay rent to the owner and pay for utilities while they are absent.
- Make arrangements for the unit to be available for inspections by EOHLC or the RAA as necessary

If this procedure is not followed, the unit will be considered abandoned and the RAA will terminate housing assistance payments and the family's participation in the program.

Regardless of notice, the family may not be absent from the unit for more than 90 consecutive calendar days. Absence in this context means that no member of the family is residing in the unit. Family absences for more than 90 consecutive days will result in termination of assistance. See policies on termination for [Family Absence from the Unit](#).

The family must supply any information requested by the RAA to verify that the family is living in the unit or information related to family absence from the unit.

## **12.9 GUESTS**

[24 CFR 5.100]

A guest is a person temporarily staying in the unit with the consent of a member of the household who has express or implied authority to so consent.

A guest can remain in the assisted unit no longer than 30 consecutive days or a total of 90 cumulative calendar days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 50% of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure is expected to last 40 consecutive days).

An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

## **12.10 RECALCULATING FAMILY SHARE AND SUBSIDY AMOUNT**

### **12.10.1 Overview**

After gathering and verifying required information for a regular or interim reexamination, the RAA must recalculate the family share of the rent and the subsidy amount and notify the family and owner of the changes.

### **12.10.2 Applying Payment Standards, Subsidy Standards, and Utility Allowances**

#### **12.10.2.1 Payment Standards**

[24 CFR 982.505]

When determining the family share of the rent and HAP calculations, the RAA must use the correct payment standard for the family, taking into consideration the family voucher size, the size of unit, and the area in which the unit is located. See [Applying Payment Standards](#) for information on how to select the appropriate payment standard.

**MTW and non-MTW Policy:** If the payment standard amount is increased during the term of the HAP contract, the RAA must use the increased payment standard amount to calculate the monthly housing assistance payment for the family beginning no later than the earliest of:

- The effective date of an increase in the gross rent resulting in an increase in the family share.
- The family’s first regular or interim reexamination.
- One year following the effective date of the increase in the payment standard amount.

### 12.10.2.2 Subsidy Standards

[24 CFR 982.505(c)(4)]

If there is a change in the family voucher size that would apply to a family during the HAP contract term, either due to a change in family composition, or a change in the PHA’s subsidy standards (see [CHAPTER 5](#)), the family’s new voucher size is used to determine the payment standard amount for the family at the family’s first regular reexamination following the change in family composition. This includes departure of live-in aides.

Irrespective of any increase or decrease in the payment standard amount, if the family unit size either increases or decreases during the HAP contract term, the new family unit size may be used to determine the payment standard amount for the family immediately but no later than the family’s first regular reexamination following the change in family unit size.

### 12.10.2.3 Utility Allowances

[24 CFR 982.517]

The family share of the rent and HAP calculations must reflect any changes in the family’s utility arrangement with the owner, or in EOHLC’s utility allowance schedule. See [Changes in Lease or Rent](#); Utility Allowances discusses how utility allowance schedules are established.

When there are changes in the utility arrangement with the owner, the RAA must use the utility allowance schedules in effect on the effective date of the new lease and HAP contract.

For policies on applying utility allowances and utility allowance revisions, see [Applying Utility Allowances](#).

**Non-MTW Policy:** At regular and interim reexaminations, the RAA will use their area’s current utility allowance schedule.

EOHLC may implement revised UA schedules on a specific date and time for all families, provided the family has been given at least 60 days’ notice of the change.

#### **MTW Policy**

At interim and regular reexamination, the RAA will use the current EOHLC utility allowance schedule. EOHLC may implement revised UA schedules on a specific date and time, including on a rolling basis, for all families provided the family has been given at least 60 days’ notice of the change.

### 12.10.3 Notification of New Family Share and HAP Amount

The RAA must notify the owner and family of any changes in the amount of the HAP payment. The notice must include the following information:

- The amount and effective date of the new HAP payment
- The amount and effective date of the new family share of the rent
- The amount and effective date of the new tenant rent to owner

The family must be given an opportunity for an informal hearing regarding the RAA's determination of their annual or adjusted income, and the use of such income to compute the housing assistance payment [24 CFR 982.555(a)(1)(i)] (see [Informal Hearings for Participants](#)). The notice to the family will state the procedures for requesting an informal hearing.

#### **12.10.4 Discrepancies**

During a regular or interim reexamination, the RAA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, the RAA may discover errors made by the RAA. When errors resulting in the overpayment or underpayment of subsidy are discovered, corrections will be made in accordance with the policies in [CHAPTER 18](#).

#### **12.10.5 Fraud Prevention**

After two or more instances of job loss or income reduction within 120 days of the effective date of a regular reexamination, the household's rent will be determined using past, rather than prospective, income data. The RAA also reserves the right to conduct an investigation regarding the changes in income or expenses. In instances of job loss or income reduction within 120 days of the effective date of a regular reexamination, rent may be determined using the following:

- The past year's W2 or EIV
- If a W2 is unattainable or non-existent, household rent is determined using other past income information as available.

Use of the prior year's income information may not be required if the household can provide verifiable evidence that the two or more instances of job loss or income reduction within 120 days of a regular or interim reexamination are reasonable.

If the household disagrees with the RAA, they have the right to request an informal hearing.

# CHAPTER 13 : MOVES

## 13.1 ALLOWABLE MOVES

Permission to move is subject to the restrictions set forth in this chapter under [Restrictions on Moves](#). In all cases, if the family terminates the lease on notice to the owner, the family must give the RAA a copy of the notice at the same time [24 CFR 982.354(d)(1)].

Outlined below are the conditions in which an assisted family is allowed to move to a new unit with continued assistance:

- When the family has a right to terminate the lease on notice to the owner (for the owner’s breach or otherwise) and has given a notice of termination to the owner in accordance with the lease [24 CFR 982.354(b)(3)].
- When the family or a member of the family is or has been the survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking and the move is needed to protect the health or safety of the family or family member [24 CFR 982.353(b)]. The Violence Against Women Reauthorization Act of 2005, 2013 and 2022 provides that “a family may receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been a survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking 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.” This condition applies even when the family has moved out of its unit in violation of the lease, with or without prior notification to the RAA.

If a family requests permission to move with continued assistance based on a claim that the move is necessary to protect the health or safety of a family member who is or has been the survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking, the RAA may request documentation to support their claim in accordance with [Survivor Documentation](#) of this plan.

- When the lease for the family’s unit has been terminated by mutual agreement of the owner and the family [24 CFR 982.354(b)(1)(ii)].
- When the owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family [24 CFR 982.354(b)(2)]. The family must give the RAA a copy of any owner eviction notice [24 CFR 982.551(g)].
- When the RAA has terminated the assisted lease for the family’s unit for the owner’s breach [24 CFR 982.354(b)(1)(i)].
- When the RAA determines that the family’s current unit does not meet the occupancy standards because of an increase in family size or a change in family composition.
  - In such cases, the RAA must issue the family a new voucher, and the family, with assistance from the RAA, must try to find an acceptable unit as soon as possible. If an acceptable unit is available for the family, the RAA will terminate the HAP contract for the family’s old unit in accordance with the HAP contract terms and must notify both the family and the owner of the termination. The HAP contract terminates at the end of the calendar month that follows the calendar month in which the RAA gives notice to the owner [24 CFR 982.403].

## 13.2 RESTRICTIONS ON MOVES

The RAA will deny a family permission to move under the following conditions:

### 13.2.1 Insufficient Funding

[24 CFR 982.354(e)(1)]

The RAA may only deny a family permission to move to a higher cost unit within EOHLC's jurisdiction or to a higher cost area outside EOHLC's jurisdiction if EOHLC does not have funding for continued assistance.

The RAA will deny a family permission to move on grounds that EOHLC does not have sufficient funding for continued assistance if EOHLC would be unable to avoid termination 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.

EOHLC will provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves to a higher-cost unit based on insufficient funding.

EOHLC must be able to demonstrate the following:

- The move will, in fact, result in higher subsidy costs; and
- It does not have sufficient funding in its annual budget to accommodate the higher subsidy costs.

The RAA will create a list of families whose moves have been denied due to insufficient funding. A move request which has been denied due to insufficient funding will be deemed active for a period of 12 months from the date of the denial due to insufficient funding.

When funds become available, the families on this list will be selected in accordance with the policies in [Selection from the Waiting List](#). These families take precedence over families on the waiting list. The RAA will use the same procedures for notifying families with open requests to move when funds become available as it uses for notifying families on the waiting list. The RAA will inform the family of its policy regarding moves denied due to insufficient funding in a letter to the family at the time the move is denied.

### 13.2.2 Grounds for Denial or Termination of Assistance

The RAA may deny a family permission to move if it has grounds for denying or terminating the family's assistance [24 CFR 982.354(e)(2)]. If termination proceedings have commenced, the participant may not be considered a tenant in good standing and may not move with assistance. The RAA should not accept or act upon any RFTAs submitted by the participant while an appeal is pending. However, protections afforded by the Violence Against Women Act of 2005, 2013 and 2022 (VAWA) apply.

### 13.2.3 Restrictions on Elective Moves

[24 CFR 982.354(c)]

The RAA will deny a family permission to make an elective move during the family's initial lease term. This policy applies to moves within EOHLC's jurisdiction or outside it under portability.

The RAA will also deny a family permission to make more than one elective move during any 12-month period. This policy applies to all assisted families residing in EOHLC's jurisdiction.

The RAA will consider exceptions to these policies for the following reasons:

- To protect the health or safety of a family member (e.g., lead-based paint hazards, domestic violence, witness protection programs).
- To accommodate a change in family circumstances (e.g., new employment, school attendance in a distant area).

- To address an emergency situation over which a family has no control.
- To address a reasonable accommodation of a family member who is a person with disabilities (see [CHAPTER 2](#)).

A participant family will not be permitted to move to a new unit, either within EOHLC's jurisdiction or out of state, if they are in non-compliance with a repayment agreement and have outstanding debt to the RAA. The family must make all overdue payments on the existing agreement before the RAA will issue a voucher to the family. However, a participant family will not be permitted to move out of state or port out to another Massachusetts housing authority until the debt is paid in full.

The above prohibitions do not apply when the family or a member of the family is or has been the survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking and the move is needed to protect the health or safety of the family or family member. For policy on documentation of abuse, see [Survivor Documentation](#).

### **13.3 MOVING PROCESS**

#### **13.3.1 Notification**

If a family wishes to move to a new unit, the family must notify the RAA and the owner before moving out of the old unit or terminating the lease on notice to the owner [24 CFR 982.354(d)]. The notices must be in writing.

#### **13.3.2 Approval**

Upon receipt of a family's notification that it wishes to move, the RAA will determine whether the move is approvable in accordance with the regulations and policies set forth in this chapter. The RAA will notify the family in writing of its determination within 15 business days following receipt of the family's notification.

### **13.4 MOVES & REEXAMINATION OF FAMILY INCOME AND COMPOSITION**

For families approved to move to a new unit within EOHLC's jurisdiction, the RAA will perform a new regular reexamination and reset the next reexamination date to coincide with the effective month of the new lease. For more information on reexaminations, see the policies set forth in [CHAPTER 12](#). A regular reexamination is necessary to ensure that the new unit meets the affordability standard.

### **13.5 VOUCHER ISSUANCE AND BRIEFING**

For families approved to move to a new unit within EOHLC's jurisdiction, the RAA will issue a voucher. No briefing is required for these families. The RAA will follow the policies set forth in [CHAPTER 5](#) on voucher term, extension, and expiration. If a family does not locate a new unit within the term of the voucher and any extensions, the family may remain in its current unit with continued voucher assistance if the owner agrees and the RAA approves.

### **13.6 HOUSING ASSISTANCE PAYMENTS**

[24 CFR 982.311(d)]

When a family moves out of an assisted unit, the RAA may not make any housing assistance payment to the owner for any month after the month the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit is not considered to constitute a duplicative housing subsidy.

### **13.7 UNIT NOT READY ON SCHEDULED VACATE DATE**

If the participant family's new unit is not available at the time of the scheduled vacate date from the current unit, the family may submit a written request signed by both owner and tenant to remain in their current unit with HCV assistance for a period not to exceed one month. For further extensions, additional written requests will be required.

### **13.8 FAMILY OPTS NOT TO MOVE**

If the participant elects not to vacate their current unit, the participant must provide to the RAA a written agreement signed by both owner and tenant to reinstate the lease and HAP contract. The written agreement to reinstate the tenancy must be submitted to the RAA prior to the expiration date of the voucher.

# CHAPTER 14 : PORTABILITY

## 14.1 OVERVIEW

Within the limitations of the regulations and this plan, a participant family or an applicant family that has been issued a voucher has the right to use tenant-based voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a PHA administering a tenant-based voucher program. When a family decides to use their voucher outside of EOHLC's jurisdiction (or a family outside Massachusetts wishes to use their voucher in Massachusetts), this is called "portability." An EOHLC participant family wishing to relocate outside of Massachusetts must notify the RAA of its desire to relocate and must specify the location where it wants to live. The first PHA is called the initial PHA. The second is called the receiving PHA.

The receiving PHA has the option of administering the family's voucher for the initial PHA or absorbing the family into its own program. Under the first option, the receiving PHA bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher. Under the second option, the receiving PHA pays for the family's assistance out of its own program funds, and the initial PHA has no further relationship with the family.

The same PHA commonly acts as the initial PHA for some families and as the receiving PHA for others. Each role involves different responsibilities. The RAA will follow the rules and policies outlined in this chapter when it is acting as the initial PHA or receiving PHA.

## 14.2 PORTABILITY BETWEEN EOHLC AND OTHER MASSACHUSETTS PHAS

In 1993, the Federal District Court determined that all Massachusetts PHAs have statewide jurisdiction; therefore, any family issued a Housing Choice Voucher from a Massachusetts PHA has the right to lease a unit anywhere within the Commonwealth of Massachusetts.

The PHA that issues HCV must administer the HCV on behalf of a family submitting a request for tenancy approval or it must make other arrangements for the proper administration of the HCV without regard to where the family chooses to lease a unit, if the unit is in Massachusetts.

Given this unique statewide jurisdiction, the RAAs may not administer or absorb any portability families from a Massachusetts PHA unless approved by EOHLC in advance. Exceptions for special circumstances such as conflict of interest or reasonable accommodation issues must be approved by EOHLC.

Transfers between the RAAs are not considered port-ins and/or port-outs. When a participant moves between one RAA and another the action is treated as a transfer.

## 14.3 ALLOWABLE MOVES UNDER PORTABILITY

A participant family may port out of EOHLC's jurisdiction with continued assistance in accordance with the regulations and policies set forth in [14.4.2: Participant Families](#).

Applicant families that have been issued vouchers as well as participant families may qualify to lease a unit outside the initial PHA's jurisdiction under portability. The initial PHA, in accordance with HUD regulations and initial PHA policy, determines whether a family qualifies.

## 14.4 PORT-OUTS

[24 CFR 982.353(b)]

A family may move with voucher assistance only to an area where there is at least one PHA administering a voucher program and in accord with the portability policies in this plan. The family must notify the RAA of its desire to relocate and must specify the location where it wants to live. If there is more than one housing authority (HA) in the area, the RAA will provide the family with the contact information for the receiving HAs

and the family will select the receiving HA. In cases where the family prefers not to select, the RAA will select the receiving HA on behalf of the family.

Section 8 Moderate Rehabilitation and project-based assistance are not portable subsidies.

#### **14.4.1 Applicant Families**

A family that has not leased a unit under the HCV program is eligible for portability if the head of family or spouse was a resident in the RAA's jurisdiction at the time the application for assistance was submitted.

If neither the head of household nor the spouse/co-head of an applicant family had a domicile (legal residence) in one of EOHLC's jurisdictions at the time the family's application for assistance was submitted, the family must live in one of EOHLC's jurisdiction with voucher assistance for the initial lease term before requesting portability. The RAA will consider exceptions to this policy for purposes of reasonable accommodation. The RAA may deny a portability move by an applicant family for insufficient funding or if grounds for denial of assistance are present.

An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the voucher program in that area. The family must specify the area to which the family wishes to move.

The RAA will determine whether the family is income eligible in the area to which the family wishes to move. If the applicant family is not income eligible in that area, the RAA will inform the family that it may not move there and receive voucher assistance.

#### **14.4.2 Participant Families**

The RAA will not provide portable assistance for a tenant if a family has moved out of its assisted unit in violation of the lease.

A family, however, is exempt from this prohibition if the family is otherwise in compliance with program obligations but has moved to protect the health or safety of an individual in the family who is or has been a survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking and who reasonably believed he or she was imminently threatened by harm from further violence if they remained in the unit.

The RAA will not redetermine income eligibility when a tenant family ports out of EOHLC's jurisdiction.

#### **14.4.3 Recertification of Household Income and Composition**

A new reexamination of family income and composition is not required for a tenant family who is approved to move out of EOHLC's jurisdiction under portability. However, for a tenant family approved to move out of EOHLC's jurisdiction under portability, the RAA generally will conduct a reexamination of family income and composition if the family's regular reexamination will be effective within 120 days from the request to port out.

#### **14.4.4 Briefing**

No formal briefing will be required for a tenant family wishing to move outside of EOHLC's jurisdiction under portability. However, the RAA will provide the family with the same oral and written explanation of portability that it provides to applicant households selected for admission to the program. See [CHAPTER 5](#).

The RAA will provide the name, address, and phone of the contact for the HA in the jurisdiction to which they wish to move. The RAA will advise the family that they will be under the receiving PHA's policies and procedures, including subsidy standards and voucher extension policies.

#### **14.4.5 Voucher Issuance and Term**

Generally, when a tenant requests to port out, the RAA will first conduct screening for eligibility for a move and then issue a voucher. See [Moving Process](#). An applicant family has no right to portability until after the family has been issued a voucher.

#### **14.4.6 Voucher Extensions and Suspensions**

The RAA may approve extensions to a voucher issued to an applicant or tenant family porting out of EOHLC's jurisdiction under the following circumstances:

- The initial term of the voucher will expire before the portable family will be issued a voucher by the receiving HA.
- The family decides to return to EOHLC's jurisdiction and search for a unit.
- The family decides to search for a unit in a third HA's jurisdiction.

In the cases above, EOHLC's policies on voucher extension and suspensions will apply, including the requirement that the family apply for an extension in writing prior to the expiration of the initial voucher term. See policies on [Voucher Issuance](#),

[Extensions of Voucher Term](#), [Suspensions of Voucher Term](#), [Expiration of Voucher Term](#).

Once the receiving HA issues the family a voucher, the receiving HA's policies on extensions of the voucher term apply. The receiving HA must notify the RAA of any extensions granted to the term of the voucher. The RAA must determine whether it will extend the initial billing submission deadline if and when a voucher extension is granted.

#### **14.4.7 Initial Contact with the Receiving HA**

After approving a family's request to move under portability, the RAA will notify the receiving HA to expect the family. The RAA will also advise the family on how to contact and request assistance from the receiving HA.

Because the portability process is time-sensitive, the RAA will notify the receiving HA by phone, fax, or email to expect the family and to determine if the receiving HA will absorb or administer the voucher. The receiving HA must notify the RAA, in writing, via email or other confirmed delivery method, of its decision.

If the receiving HA notifies the RAA that it will absorb the voucher, the receiving HA may not reverse its decision at a later date without the RAA's consent.

If the receiving HA will bill the RAA for the portability voucher and the cost of the HAP will increase due to the move, the initial HA may deny the move if it does not have sufficient funding for continued assistance in accordance with the regulatory requirements.

The RAA will advise the family that they must promptly contact the receiving HA in order to be informed of the receiving HA's procedures for incoming portable households and comply with these procedures.

#### **14.4.8 Sending Documentation to the Receiving HA**

The RAA will send the receiving HA the following documents:

- Form HUD-52665, Family Portability Information, with Part I filled out.
- A copy of the family's voucher.
- A copy of the family's most recent form HUD-50058, Family Report, or, if necessary, in the case of an applicant family, family and income information in a format similar to that of form HUD-50058.
- A copy of the most recent EIV report (if available).

In addition to these documents, the RAA will provide the following information, if available, to the receiving HA:

- Social Security numbers
- Documentation of legal identity
- Documentation of eligible immigration status
- Documentation of participation in the earned income disregard
- Documentation of participation in a Family Self-Sufficiency (FSS) program.

#### **14.4.9 Initial Billing Deadline**

If the RAA has not received an initial billing notice from the receiving HA by the deadline specified on form HUD-52665, it will contact the receiving HA by phone, fax, or email. If the receiving HA reports that the family is not yet under HAP contract, the RAA will inform the receiving HA whether it will honor a late billing submission. The RAA will send the receiving HA a written confirmation of its decision.

The initial billing submission must be completed and mailed by the receiving HA so that it is received by the initial HA no later than 90 days following the expiration of the initial HA's voucher.

The RAA will allow an exception to this policy if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving HA.

#### **14.4.10 Monthly Billing Payments**

If the receiving HA is administering the family's voucher, the RAA will make billing payments in a timely manner. The first billing amount is due within 30 days after the RAA receives Part II of form HUD-52665 from the receiving HA. Subsequent payments must be received by the receiving HA no later than the fifth business day of each month.

The RAA will reimburse the receiving HA for the full amount of the housing assistance payments made by the receiving HA for the portable family. Additionally, the RAA will reimburse the receiving HA for the lesser of 80% of the RAA's prorated column B administrative fee rate or 100% of the receiving HA's prorated column B administrative fee rate for each program unit under HAP contract on the first day of the month for which the receiving HA is billing the RAA. If administrative fees are prorated, the proration will apply to the amount of the administrative fee for which the receiving HA may bill. If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

The RAA may utilize direct deposit to ensure that the payment is received by the deadline.

#### **14.4.11 Subsequent Household Moves**

If a receiving HA is administering an EOHLC voucher family and the family subsequently decides to move out of the receiving HA's jurisdiction, the RAA will issue the family a voucher to move and will send form HUD-52665 and supporting documentation to the new receiving HA.

#### **14.4.12 Denial or Termination of Assistance**

If the RAA has grounds for denying or terminating assistance for a portable family that has not been absorbed by the receiving HA, the RAA may act on those grounds at any time.

#### **14.4.13 Regular Recertification**

The receiving HA must send to the RAA a copy of a portable family's updated form HUD-50058 after each regular reexamination for the duration of time the receiving HA is billing the RAA on behalf of the family, regardless of whether there is a change in the billing amount. The reexamination and updated billing are due to the RAA within ten days of the reexamination effective date.

#### 14.4.14 Change in Billing Amount

The receiving HA is required to notify the RAA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.).
- An abatement or subsequent resumption of the HAP payments.
- Termination of the HAP contract.
- Payment of a damage/vacancy loss claim for the family.
- Termination of the family from the program.

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide the RAA with advance notice of the change. Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount.

#### 14.5 PORT-INS

When a family that is issued a voucher from another HA uses that voucher to lease a unit in one of EOHLC's jurisdictions that process is referred to as porting-in. In the case of a port-in, EOHLC and the RAA are the receiving HA and the housing authority from which the family came is the initial HA. Generally, the RAA will bill the Initial PHA for the administration of the voucher. Exceptions for special circumstances or reasonable accommodation issues must be approved by EOHLC.

##### 14.5.1 Receiving HA Role

For households that port-in to one of EOHLC's jurisdictions, the family's unit size or voucher size is determined in accordance with EOHLC's subsidy standards and the amount of the family's housing assistance payment is determined in the same manner as for other HAs.

If a family has a right to lease a unit in one of EOHLC's jurisdictions under portability, the RAA will provide assistance for the family. EOHLC's procedures and preferences for selection among eligible applicants do not apply, and EOHLC's waiting list is not used. However, the family's unit, or voucher, size is determined in accordance with EOHLC subsidy standards, and the amount of the family's housing assistance payment is determined in the same manner as other non-MTW households in EOHLC's Voucher Program.

##### 14.5.2 Port-Ins and MTW

If the RAA absorbs a port-in voucher, the family is subject to all of EOHLC's MTW policies.

If the RAA bills for the port-in voucher, they may apply EOHLC's MTW policies to port-ins as follows:

<b>MTW Policy</b>	<b>Apply to Port-In Yes or No</b>
Biennial Recertification	No
Limit on Interim Recertification	Yes
Utility Allowance Heat & Other Electric Only	No
No UAP under \$25	Yes
Asset Self Certification, Asset Income Exclusion, and Imputed Asset Income Calculation	Yes
MTW Full-Time Student Income Exclusion	No
MTW Earned Income Disregard	Discontinued

MTW Policy	Apply to Port-In Yes or No
MTW Elderly/Disabled Deduction of \$650	No
Apply the Current Payment Standard Regardless of Fluctuations between Recerts	Yes

### 14.5.3 Responding to the Initial PHA’s Request

The RAA will respond via email or other confirmed delivery method to the initial HA’s inquiry to determine whether the family’s voucher will be billed or absorbed.

### 14.5.4 Initial Contact with Household

When a family moves into one of EOHLC’s jurisdictions under portability, the family is responsible for promptly contacting the RAA and complying with the RAA’s procedures for incoming portable households.

If the voucher issued to the family by the initial HA has expired, the RAA will not process the family’s paperwork but will instead refer the family back to the initial HA.

Although the RAA may initially bill the initial HA for the family’s assistance, it may later decide to absorb the family into its own program provided.

### 14.5.5 Criminal Background Screening & Port-Ins

The RAA will conduct a criminal background and sex offender registry check on all adult family members who are porting into one of EOHLC’s jurisdictions. The RAA will follow its policies on screening to guide determinations related to criminal background and sex offender registration screening.

### 14.5.6 Briefing

The RAA will inform the family orally and in writing about EOHLC’s payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process, and the leasing process.

### 14.5.7 Income Eligibility and Recertification

For any family moving into its jurisdiction under portability, the RAA will conduct a new reexamination of family income and composition. The RAA will not delay issuing the family a voucher for this reason, nor will the RAA delay approving a unit for the family until the reexamination process is complete unless the family is an applicant and the RAA cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

In conducting its own reexamination, the RAA will rely upon any verifications provided by the initial HA to the extent that they (a) accurately reflect the family’s current circumstances and (b) were obtained within the last 120 days. Any new information may be verified by documents provided by the family and adjusted, if necessary, when third-party verification is received.

Port-in households are recertified on an annual basis.

### 14.5.8 Voucher Issuance

When a family ports into one of EOHLC’s jurisdictions, the RAA will issue the family a voucher. Generally, the RAA will issue the voucher within two weeks after receiving the family’s paperwork from the initial HA, if the information is in order, the family has contacted the RAA, and the family complies with the RAA’s procedures.

### 14.5.9 Voucher Term

If the initial HA’s voucher expires before the RAA issues the portable family a voucher, the RAA will contact the initial HA to determine if it will extend the voucher term. The RAA will not issue a voucher to the Port family if the initial HA voucher term is expired, and no extension is authorized by the initial HA.

Under no circumstances will the term of the RAA's voucher expire before 30 calendar days from the expiration date of the initial HA voucher term. For example, if the initial HA voucher term expires on 7/12/15, the RAA's voucher term, as the receiving HA, will not expire before 8/12/15.

#### **14.5.10 Voucher Extensions & Suspensions**

The RAA may provide additional search time to the family beyond the expiration date of the initial HA's voucher. The RAA will only extend the term of the voucher for a port-in tenant if the initial HA extends their voucher expiration date as well. In this way the RAA can better ensure that any voucher expiration date would leave sufficient time to process a request for tenancy approval, execute a HAP contract, and deliver the initial billing to the initial HA.

#### **14.5.11 Notifying the Initial HA**

The RAA will notify the initial HA if the family has leased an eligible unit under the program or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the RAA's voucher. The RAA will use Part II of form HUD-52665, Family Portability Information, for this purpose.

If an incoming portable family ultimately decides not to lease in one of EOHLC's jurisdictions, but instead wishes to return to the initial HA's jurisdiction or to search in another jurisdiction, the RAA will refer the family back to the initial HA. In such a case the voucher of record for the family is once again the voucher originally issued by the initial HA. Any extension of search time provided by the receiving HA's voucher is only valid for the family's search in the receiving HA's jurisdiction.

#### **14.5.12 Initial Billing Deadline**

If a portable family's search for a unit is successful and the RAA intends to administer the family's voucher, the RAA's initial billing notice (Part II of form HUD-52665) must be completed and mailed so that it is received by the initial HA no later than 90 days following the expiration of the initial HA's voucher. A copy of the family's form HUD-50058, Family Report, completed by the RAA will be attached to the initial billing notice. The RAA may send these documents either by mail, fax, or email.

#### **14.5.13 Billing Procedures**

If administering the port-in voucher, the RAA will bill the initial HA once a month for Housing Assistance Payments. The billing cycle for other amounts, including administrative fees and special claims will be once a month. The RAA will bill 100% of the Housing Assistance Payment and the lesser of 80% of the initial HA prorated column B administrative fee rate or 100% of EOHLC's prorated column B administrative fee rate for each unit under HAP contract on the first day of the month for which the RAA is billing the initial HA. Additionally, as provided by HUD, the RAA will prorate administrative fees in accordance with any HUD prorations.

The RAA will notify the initial HA of changes in subsidy amounts within ten days of any change in the monthly payment. EOHLC and the RAA will update Administrative Fees when and if HUD revises the fees and/or related prorations.

#### **14.5.14 Denial or Termination of Assistance**

At any time, the RAA may make a determination to deny assistance to an applicant portable family or terminate assistance to a participant portable family for family action or inaction.

If the RAA elects to deny or terminate assistance for a portable family, the RAA will notify the initial HA after the informal review or hearing if the denial or termination is upheld. The RAA will base its denial or termination decision on the policies set forth in this plan.

#### **14.5.15 Absorbing a Portable Household**

Absorption is the point at which a receiving HA starts making assistance payments with funding under its consolidated ACC. The RAA may absorb a voucher providing that (a) EOHLC has funding available under its Annual Contributions Contract (ACC) and (b) absorbing the family will not result in over-leasing.

If the RAA notifies an initial HA that it will absorb the voucher, the RAA will not reverse its decision at a later date without consent of the initial HA. The RAA has 10 business days from the effective date of the absorption to send an updated form HUD-52665 to the initial PHA.

If the RAA decides to absorb a family, after administering the voucher, the RAA will provide the initial HA with 30 days advance notice. It is expected that the RAAs continue to make normal selections from the waiting list throughout the year.

When a portable family is absorbed by the RAA, the family will be subject to EOHLC's MTW policies.

## **14.6 VASH & PORTABILITY**

HUD-VASH participant families may reside only in those jurisdictional areas that are accessible to case management services as determined by the Veteran's Administration Medical Center (VAMC). If the family initially leases up, or moves, under portability provisions, but the initial PHA's partnering VAMC will still be able to provide the necessary case management services due to the family's proximity to the partnering VAMC, the receiving PHA must process the portability move.

Since the initial PHA must maintain records on all HUD-VASH families receiving case management services from its partnering VAMC or CBOC, receiving PHAs without a HUD-VASH program must bill the initial PHA.

The receiving HA may bill the initial HA or absorb the family into its own HUD-VASH program if the VAMC providing the initial case management agrees to the absorption by the receiving HA and the transfer of case management.

If the initial HA cannot provide case management services, the VAMC must first determine that the HUD-VASH family could be served by another VAMC or community-based outreach center (CBOC) that is participating in this program, and the receiving HA must have a HUD-VASH voucher available for this family. In these cases, the families must be absorbed by the receiving HA.

Upon absorption, the initial HA's HUD-VASH voucher will be available to lease to a new HUD-VASH-eligible family. The absorbed family will count toward the number of HUD-VASH slots awarded to the receiving HA.

The RAA will use the codes for the special purpose vouchers on the 50058 and continue to use such codes while the RAA is administering a portable voucher.

## **14.7 FUP & PORTABILITY**

The RAA may not restrict or deny portability for a Family Unification Program (FUP) participant for reasons other than those specified in HCV program regulations.

A FUP participant does not have to move to a jurisdiction that administers FUP.

The receiving HA does not need to have FUP to bill the initial PHA for a ported FUP voucher. The receiving HA has discretion on whether to absorb or bill a ported FUP voucher.

# CHAPTER 15 : TERMINATIONS

HUD regulations specify the reasons for which EOHLC or the RAA can terminate a family's assistance, and the ways in which such terminations must take place. They also dictate the circumstances under which an owner may terminate the tenancy of an assisted family.

## 15.1 GROUNDS FOR TERMINATION OF ASSISTANCE

### 15.1.1 Family No Longer Requires Assistance

[24 CFR 982.455]

As a family's income increases, the amount of subsidy goes down. If the amount of HCV assistance provided by the RAA drops to zero and remains at zero for 180 consecutive calendar days, the family's assistance terminates automatically.

If a participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero, the family must notify the RAA of the changed circumstances and request an interim reexamination before the expiration of the 180-day period.

### 15.1.2 Family Chooses to Terminate Assistance

The family may request that the RAA terminate the family's assistance at any time.

When a family requests to be terminated from the program, they must do so in writing, signed by the head of household, spouse, or co-head, to the RAA. The RAA will promptly, but no later than the termination effective date, send a confirmation notice to the family and the owner concerning the family's request to terminate assistance. The family will be notified of the consequences of withdrawal.

### 15.1.3 Mandatory Termination of Assistance

HUD requires EOHLC and the RAA to terminate assistance in the following circumstances.

#### 15.1.3.1 Eviction

[24 CFR 982.552(b) (2)]

The RAA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease (see [Family Obligations](#)). Incidents of actual or threatened violence, dating violence, sexual assault, stalking or sex trafficking may not be construed as serious or repeated violations of the lease by the survivor or threatened victim of such violence, stalking or trafficking.

Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. The RAA will consider whether the reason for the eviction was through no fault of the tenant or guests.

A family will be considered evicted after a court has issued a judgment for eviction, whether or not physical enforcement of the order was necessary.

If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. However, the RAA will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in [Alternatives to Termination of Assistance](#), [Criteria for Deciding to Terminate Assistance](#), and [Terminating the Assistance of Domestic Violence, Dating Violence, Sexual Assault, Stalking or Sex Trafficking Survivors and Perpetrators](#) [24 CFR 5.2005]. Upon consideration of such alternatives and factors, the RAA may, on a case-by-case basis, choose not to terminate assistance.

### **15.1.3.2 Failure to Provide Consent**

[24 CFR 982.552(b)(3)]

The RAA must terminate assistance if any family member fails to sign and submit any consent form, they are required to sign for a reexamination. See [Family Consent to Release of Information](#) for a complete discussion of consent requirements.

### **15.1.3.3 Failure to Document Citizenship or Other Eligible Immigration Status**

[24 CFR 982.552(b)(4) and 24 CFR 5.514(c)]

The RAA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by the RAA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See [CHAPTER 6](#) for a complete discussion of documentation requirements for citizenship.

### **15.1.3.4 Failure to Disclose and Document Social Security Numbers**

[24 CFR 5.218(c), Notice PIH 2010-03]

The RAA must terminate assistance if a participant family fails to disclose the complete and accurate Social Security numbers of each household member and the documentation necessary to verify each Social Security number if the disclosed Social Security number is not validated through Enterprise Income Verification (EIV) System.

However, if the family is otherwise eligible for continued program assistance, and the RAA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the RAA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the RAA determined the family to be non-compliant.

The RAA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

The RAA 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.

### **15.1.3.5 Methamphetamine Manufacture or Production**

[24 CFR 982.553(b)(1)(ii)]

The RAA will terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine in any location, not just on the premises of federally assisted housing.

### **15.1.3.6 Failure of Students to Meet Ongoing Eligibility Requirements**

[24 CFR 982.552(b)(5)]

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, is not residing with their parents in an HCV-assisted household, does not meet the definition of an eligible youth, and is not a person with disabilities receiving HCV

assistance as of November 30, 2005, the RAA will terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated but must be issued a voucher to move with continued assistance in accordance with program regulations and EOHLC policies or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

#### **15.1.3.7 Death of the Sole Family Member**

[24 CFR 982.311(d), Notice PIH 2010-9, and Notice 2012-04]

The RAA must terminate program assistance for deceased single member households according to the required timeframes. For more details, see [Deceased Tenant](#).

#### **15.1.4 Other Authorized Terminations**

[24 CFR 982.553(b) and 982.551(l)]

##### Mandatory Policies

HUD requires the PHA to establish policies that permit the PHA to terminate assistance if the PHA determines that:

- Any household member is currently engaged in any illegal use of a drug or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity.
- Any household member has violated the family's obligation not to engage in violent criminal activity, including criminal activity that requires sex offender registration and failure to register accordingly (see [Termination Due to State Registered Lifetime Sex Offender Status](#)).



- Any household who has been found to exceed the Asset Limitation policies and any participating family that is in violation and fails to cure the violation of program requirements in the time allotted by the RAA.

##### **15.1.4.1 Use of Illegal Drugs and Alcohol Abuse**

The RAA will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents. "Currently engaged in" is defined as any use of illegal drugs during the previous 12 months unless the household member is enrolled in and fully compliant with treatment.

The RAA will terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

The RAA will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

In making its decision to terminate assistance, the RAA will consider alternatives as described in [Alternatives to Termination of Assistance](#) and other factors described in [Criteria for Deciding to Terminate Assistance](#) and Terminating the Assistance of Domestic Violence, Dating Violence, Sexual Assault, Stalking or Sex Trafficking

Survivors and Perpetrators. Upon consideration of such alternatives and factors, the RAA may, on a case-by-case basis, choose not to terminate assistance.

#### **15.1.4.2 Drug-Related and Violent Criminal Activity**

[24 CFR 5.100]

“Drug” means a controlled substance as defined in section 102 of the Controlled Substances Act (21 USC 802).

“Drug-related criminal activity” is defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug.

“Violent criminal activity” means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury, or property damage.

The RAA will terminate a family’s assistance if any household member has violated the family’s obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program.

The RAA will consider all credible evidence, including but not limited to, any record of arrests and/or convictions of household members related to drug-related or violent criminal activity, and any eviction or notice to evict based on drug-related or violent criminal activity.

In making its decision to terminate assistance, the RAA will consider alternatives as described in [Criteria for Deciding to Terminate Assistance](#) and [Terminating the Assistance of Domestic Violence, Dating Violence, Sexual Assault, Stalking or Sex Trafficking Survivors and Perpetrators](#). Upon consideration of such alternatives and factors, the RAA may, on a case-by-case basis, choose not to terminate assistance.

#### **15.1.4.3 Termination Due to State Registered Lifetime Sex Offender Status**

[Notice PIH 2012-28]

HUD regulations at 24 CFR 5.856 and 982.553(a)(2) prohibit admission after June 25, 2001, if any member of a household is subject to a state lifetime sex offender registration requirement. This regulation reflects a statutory prohibition. A household receiving assistance with such a member is receiving assistance in violation of federal law.

If the RAA discovers that a household member was erroneously admitted (the household member was subject to a lifetime registration requirement at admission and was admitted after June 25, 2001), the RAA will immediately pursue termination of assistance for the household member. If the RAA erroneously admitted a lifetime sex offender, the RAA will give the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the RAA will terminate assistance for the household. Rules for hearings for the HCV program at 24 CFR 982.555 continue to apply.

For admissions before June 25, 2001, there is currently no HUD statutory or regulatory basis to evict or terminate the assistance of the household solely on the basis of a household member’s sex offender registration status.

#### **15.1.5 Other Reasons for Termination of Assistance**

[24 CFR 982.552(c)]

HUD permits EOHLC and the RAA to terminate assistance under a number of other circumstances. The Violence Against Women Reauthorization Act of 2005, 2013 and 2022 explicitly prohibits public housing authorities from considering incidents or actual threatened domestic violence, dating violence, sexual assault, stalking or sex trafficking as reasons for terminating the assistance of a survivor of such violence.

The RAA will terminate a family’s assistance if:

- The family has failed to comply with any family obligations under the program. See [Family Obligations](#) for a list of family obligations.
- Any family member has been evicted from federally assisted housing in the last five years.
- Any PHA has ever terminated assistance under the program for any member of the family for any reason covered in EOHLC's policies for termination.
- Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
- The family currently owes rent or other amounts to any other public housing authority in connection with the HCV, Certificate, Moderate Rehabilitation, or public housing programs.
- The family has not reimbursed any public housing authority for amounts the housing authority paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- The family has breached the terms of a repayment agreement entered into with the RAA.
- A family member has engaged in or threatened violent or abusive behavior toward EOHLC or RAA personnel. Abusive or violent behavior toward personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior. Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
- Any family member is subject to a lifetime registration requirement under a state sex offender registration program per the policies.

In making its decision to terminate assistance, the RAA may consider alternatives as described in [Criteria for Deciding to Terminate Assistance](#) and [Terminating the Assistance of Domestic Violence, Dating Violence, Sexual Assault, Stalking or Sex Trafficking Survivors and Perpetrators](#). Upon consideration of such alternatives and factors, the RAA may, on a case-by-case basis, choose not to terminate assistance.

#### **15.1.5.1 Family Absence from the Unit**

[24 CFR 982.312]

If the family is absent from the unit for more than 90 consecutive calendar days, the family's assistance will be terminated (see [Absence from the Unit](#)). Absence in this context means that no member of the family is residing in the unit. Notice of termination will be sent in accordance with the policies in [Termination Notice](#).

#### **15.1.5.2 Insufficient Funding**

[24 CFR 982.454]

The RAA may terminate HAP contracts if EOHLC determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

EOHLC will determine whether there is sufficient funding to pay for currently assisted families as per [Determination of Insufficient Funding](#). If EOHLC determines there is a shortage of funding, prior to terminating any HAP contracts, EOHLC will determine if any other actions can be taken to reduce program costs.

If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, EOHLC will advise the RAA to terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, EOHLC will inform the local HUD field office. EOHLC will terminate the minimum number needed in order to reduce HAP costs to a level within EOHLC's annual budget authority.

If EOHLC must terminate HAP contracts due to insufficient funding, the RAA will do so in accordance with the following criteria and instructions:

EOHLC will adopt the policy first in, first out. Under this option, the RAA would terminate families within the same category according to the date of the family's admission to the program, starting with those who have been receiving assistance the longest.

- Non-elderly, non-disabled single member families.
- Non-elderly, non-disabled families with no children under the age of 18.
- Non-elderly, non-disabled families with children under the age of 18.
- Elderly and disabled families.
- NED, HUD-VASH and FUP families.

## **15.2 APPROACH TO TERMINATION OF ASSISTANCE**

### **15.2.1 Method of Termination**

[24 CFR 982.552(a)(3)]

The way in which the RAA terminates assistance depends upon individual circumstances. The RAA may terminate assistance by:

- Terminating housing assistance payments under a current HAP contract.
- Refusing to approve a request for tenancy or to enter into a new HAP contract.
- Refusing to process a request for or to provide assistance under portability procedures.

### **15.2.2 Alternatives to Termination of Assistance**

#### Change in Household Composition

[24 CFR 982.552(c)(2)(ii)]

As a condition of continued assistance, the RAA may require that any household member who participated in or was responsible for an offense no longer resides in the unit, and the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon the request of the RAA.

#### Repayment of Family Debts

If a family owes amounts to the RAA, as a condition of continued assistance, the RAA will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the RAA of the amount owed. See sections on [Family Debts](#) to to EOHLC through Repayment Agreement.

### **15.2.3 Criteria for Deciding to Terminate Assistance**

For criminal activity, HUD permits the PHA to terminate assistance if a preponderance of the evidence indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted [24 CFR 982.553(c)].

The RAA will use the concept of the preponderance of the evidence as the standard for making all termination decisions. Preponderance of the evidence is defined as 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.

#### Consideration of Circumstances

[24 CFR 982.552(c)(2)]

The RAAs are permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

The RAA will consider the following factors when making its decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other residents.
- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure.
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or a survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking.
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future.
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully. The RAA will require the participant 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.
- In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family.

#### Reasonable Accommodation

[24 CFR 982.552(c)(2)(iv)]

If the family includes a person with disabilities, the RAA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, the RAA will determine whether the behavior is related to the disability. If so, upon the family's request, the RAA will determine whether alternative measures are appropriate as a reasonable accommodation. The RAA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See [CHAPTER 2](#) for a discussion of reasonable accommodation.

### **15.2.4 Termination Notice**

If a family's assistance is to be terminated, whether voluntarily or involuntarily, the RAA must give the family and the owner written notice that specifies:

- The reasons for which assistance has been terminated
- The effective date of the termination
- The family's right to an informal hearing as described in [Informal Hearings for Participants](#)
- The right to request a reasonable accommodation

- In multiple languages, a notice that this is an important document, and the recipient may request translation and/or interpretation services from the RAA
- The VAWA Notice of Occupancy Rights and VAWA Certification Form

If a criminal record is the basis of the termination, the RAA will provide the subject of the record and the tenant with a copy of the criminal record [24 CFR 982.553(d)].

If immigration status is the basis of a family's termination, the special notice requirements for termination based on citizenship status must be followed. See Notice of Termination Based on Citizenship Status below.

When termination is initiated by the RAA, the RAA will send a written notice of termination to the family and the owner of the family's unit.

The notice will state the date on which the termination will become effective. The RAA will provide the termination notice at least 30 calendar days prior to the effective date of the termination.

However, if a family vacates the unit without informing the RAA, 30 days' notice will not be given. In these cases, the notice to terminate will be sent at the time the RAA learns the family has vacated the unit.

Notice to the family will be sent by certified mail return receipt requested and by regular mail. In instances where the certified mail is not accepted by the family and returned to the RAA, but the regular mail is not returned to the RAA by the post office, allegations by the tenant that they did not receive the notice of termination will not be considered by the RAA as a reason for failure to submit a request for an informal hearing or otherwise respond to the notice. Unless both are returned to the RAA, there is the presumption that the notice has been received. Notice to the owner may be sent by certified mail only.

#### **15.2.4.1 Notice of Termination Based on Citizenship Status**

[24 CFR 5.514 (c) and (d)]

The RAA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or eligible immigration status; (2) evidence of citizenship and eligible immigration status is submitted timely, but USCIS primary and secondary verification does not verify eligible immigration status of a family; or (3) The RAA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. For (3) above, such termination must be for a period of at least 24 months.

The notice of termination must advise the family of the reasons their assistance is being terminated, that they may be eligible for proration of assistance, the criteria and procedures for obtaining relief under the provisions for preservation of families, that they have the right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal, and that they have the right to request an informal hearing with the RAA either upon completion of the USCIS appeal or in lieu of the USCIS appeal. Informal hearing procedures are contained in [CHAPTER 16](#).

The notice to terminate will be sent to the family and the owner at least 30 calendar days prior to the effective date of the termination.

#### **15.2.5 How Termination of Assistance Affects the HAP Contract and Lease**

When the family's assistance is terminated, the lease and HAP contract terminate automatically [Form HUD-52641]. The owner may offer the family a separate unassisted lease.

### **15.3 TERMINATING THE ASSISTANCE OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, STALKING OR SEX TRAFFICKING SURVIVORS AND PERPETRATORS**

[24 CFR 5.2005]

The Violence Against Women Reauthorization Act of 2005, 2013 and 2022 (VAWA) provides protections against termination of assistance for survivors of domestic violence, dating violence, sexual assault, stalking or sex trafficking. For general VAWA requirements and EOHLC policies pertaining to notification, documentation, and confidentiality, see [Violence Against Women Reauthorization Acts of 2005, 2013, and 2022 \(VAWA\)](#).

## **15.4 TERMINATION OF TENANCY BY THE OWNER**

Termination of an assisted tenancy is a matter between the owner and the family; EOHLC and the RAA are not directly involved. However, the grounds for owner termination of assisted tenancy are limited. Depending on the reason for which tenancy is terminated, the assistance will continue or will also be terminated.

### **15.4.1 Grounds for Owner Termination of Tenancy**

[24 CFR 982.310]

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

#### **15.4.1.1 Serious or Repeated Lease Violations**

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, including failure to pay rent or other amounts due under the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking and the survivor is protected from eviction by VAWA. However, the failure of the RAA to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

#### **15.4.1.2 Violation of Federal, State, or Local Law**

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

#### **15.4.1.3 Criminal Activity or Alcohol Abuse**

The owner may terminate tenancy during the term of the lease if any covered person, meaning any member of the household, a guest or another person under the tenant's control commits any of the following types of criminal activity (for applicable definitions, see [24 CFR 5.100](#)):

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises).
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises.
- Any violent criminal activity on or near the premises.
- Any drug-related criminal activity on or near the premises.

However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking, if the tenant or an immediate member of the tenant's family is the survivor, the criminal activity may not be construed as cause for terminating the survivor's tenancy. See

[Terminating the Assistance of Domestic Violence, Dating Violence, Sexual Assault, Stalking or Sex Trafficking Survivors and Perpetrators](#).

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor.
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

The owner may terminate tenancy for criminal activity by a household member in accordance with this section if the owner determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

#### **15.4.1.4 Evidence of Criminal Activity**

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity, regardless of arrest or conviction and without satisfying the standard of proof used for a criminal conviction.

#### **15.4.1.5 Other Good Cause**

During the initial lease term or during any extension term, “other good cause” includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, “other good cause” for termination of tenancy by the owner includes:

- Failure by the family to accept the offer of a new lease or revision
- The owner’s desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit.
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent).
- After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

### **15.4.2 Eviction**

[24 CFR 982.310(e) and (f) and Form HUD-52641-A, Tenancy Addendum]

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notices to the tenant.

Owner eviction notice means a notice to quit, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give the RAA a copy of any notice to quit and other eviction paperwork at the same time the owner notifies the family. The family is also required to give the RAA a copy of any notice to quit and other eviction paperwork.

If the eviction action is finalized in court, the owner must provide the RAA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered eviction.

### **15.4.3 Deciding Whether to Terminate Tenancy**

[24 CFR 982.310(h); 24 CFR 5.105; M.G.L. c. 151B, § 4(10)]

An owner who has grounds to terminate a tenancy is not required to do so and may consider all of the circumstances relevant to a particular case before making a decision.

These might include:

- The nature of the offending action.
- The seriousness of the offending action.
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy.
- The extent of participation by the leaseholder in the offending action.
- The effect of termination of tenancy on household members not involved in the offending activity.
- The demand for assisted housing by families who will adhere to lease responsibilities.
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action.
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner 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 USC 13661). For this purpose, the owner may require the 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.

The owner's termination of tenancy actions must be consistent with all fair housing and equal opportunity provisions.

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, sexual assault, or stalking is limited by the Violence Against Women Reauthorization Act of 2005, 2013 and 2022 (VAWA) [24 CFR 5.2001 et seq.].

#### **15.4.4 Effect of Tenancy Termination on the Family's Assistance**

If an owner termination of tenancy is not due to a serious or repeated violation of the lease, and if the RAA has no other grounds for termination of assistance, the RAA may issue a new voucher so that the family can move with continued assistance (see [CHAPTER 13](#)).

# CHAPTER 16 : INFORMAL REVIEWS AND HEARINGS

When the RAA makes a decision that has a negative impact on a family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal review; for participants, or for applicants denied admission because of citizenship issues, the appeal takes the form of an informal hearing.

## 16.1 INFORMAL REVIEWS

Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program but is not yet a participant in the program. Informal reviews are intended to provide a minimum hearing requirement [24 CFR 982.554] and need not be as elaborate as the informal hearing requirements.

### 16.1.1 Decisions Subject to Informal Review

The RAA will give an applicant the opportunity for an informal review of a decision denying assistance [24 CFR 982.554(a)]; however, not all forms of denial are subject to informal review.

Denial of assistance may include any or all of the following [24 CFR 982.552(a)(2)]:

- Denying listing on the PHA waiting list
- Denying or withdrawing a voucher
- Denying assistance based on an unfavorable history, such as poor credit history, poor rental history, a record of previous damage to an apartment, as a result of an action covered under VAWA
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures

Informal reviews are not required for the following reasons [24 CFR 982.554(c)]:

- Discretionary administrative determinations by the RAA
- General policy issues or class grievances
- A determination of the family unit size under EOHLC subsidy standards
- A determination by the RAA not to grant approval of the tenancy
- A determination by the RAA that the unit is not in compliance with the HQS
- A determination by the RAA that the unit is not in accordance with the HQS due to family size or composition
- A determination by the RAA not to approve the extension of the voucher term

The RAAs will only offer an informal review to applicants for whom assistance is being denied.

### 16.1.2 Notice to the Applicant

[24 CFR 982.554(a)]

The RAA must give an applicant prompt written notice of a decision denying assistance. The notice must contain a brief statement of the reasons for the RAA's decision and must also state that the applicant may request an informal review of the decision. The notice must describe how to obtain the informal review.

### 16.1.3 Scheduling an Informal Review

A request for an informal review must be made in writing and delivered to the RAA in person or by first-class mail, email, or fax, by the close of the business day, no later than 15 business days from the date on the written notification denying assistance.

Except as provided in [CHAPTER 4](#), RAA must schedule and send written notice of the informal review within 15 business days of the family's request.

#### **16.1.4 Informal Review Procedures**

[24 CFR 982.554(b)]

The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

Informal reviews may be conducted in writing; a meeting between the RAA's representative and the applicant is recommended but not required.

Informal reviews may also be conducted remotely (see [Notice PIH 2020-32](#)). If conducting a remote informal review, RAAs must first assess any technological barriers, such as access to a computer, phone, or tablet with a camera, adequate internet connection and data, and a sufficiently private location, that may exist for the family. Where barriers exist, RAAs shall work with families to resolve those barriers. If a family does not have adequate technology access that will allow full participation, and the informal review cannot be conducted in writing, the informal review should be postponed to a more suitable time, or an in-person alternative must be provided. If postponement is warranted due to the lack of adequate technology access, the RAA may not hold against the individual his or her inability to participate in the remote informal review. If conducting a remote informal review, RAAs must ensure that all written materials to be used during the review are provided to, and received by, the family in advance of the session. If a family has not received the required documents prior to the scheduled remote review, the review shall be postponed until the family has received the documents.

The applicant must be provided an opportunity to present written or oral objections to the decision of RAA.

The person conducting the review will make a recommendation to the RAA, but the RAA is responsible for making the final decision as to whether assistance should be granted or denied.

#### **16.1.5 Informal Review Decision**

[24 CFR 982.554(b)]

The RAA must notify the applicant of the RAA's final decision, including a brief statement of the reasons for the final decision.

In rendering a decision, the RAA will evaluate the following matters:

- Whether or not the grounds for denial were clearly and explicitly stated in the notice.
- The validity of grounds for denial of assistance. If the grounds for denial are not specified in the policies and/or regulations, then the decision to deny assistance will be overturned.
- The validity of the evidence. The RAA will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove that there are grounds for denial, and the denial is required by HUD, the RAA will uphold the decision to deny assistance. If the facts prove the grounds for denial, and the denial is discretionary, the RAA will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

The RAA will notify the applicant in writing of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed within 15 business days of the informal review, to the applicant and his or her representative, if any, along with proof of mailing.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume. If the family fails to appear for their informal review, the denial of admission will stand, and the family will be so notified.

Informal review decisions made by the RAA are final and cannot be appealed to EOHLC.

## **16.2 INFORMAL HEARINGS FOR PARTICIPANTS**

[24 CFR 982.555]

The RAA must offer an informal hearing for certain RAA determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to EOHLC's HCV program and is currently assisted in the program. The purpose of the informal hearing is to consider whether the RAA's decisions related to the family's circumstances are in accordance with the law, HUD regulations, and EOHLC policies.

The RAA is not permitted to terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed.

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

### **16.2.1 Decisions Subject to Informal Hearing**

Circumstances for which the RAA will give a participant family an opportunity for an informal hearing are as follows:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the EOHLC utility allowance schedule
- A determination of the family unit size under EOHLC's subsidy standards
- A determination to terminate assistance for a participant family because of the family's actions or failure to act
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under EOHLC policy and HUD rules
- A determination to terminate a family's Family Self Sufficiency contract, withhold supportive services, or propose forfeiture of the family's escrow account [24 CFR 984.303(i)]

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by the RAA
- General policy issues or class grievances
- Establishment of the EOHLC schedule of utility allowances for families in the program
- A determination by the RAA not to approve an extension of a voucher term
- A determination by the RAA not to approve a unit or tenancy
- A determination by the RAA that a unit selected by the applicant is not in compliance with the HQS
- A determination by the RAA that the unit is not in accordance with HQS because of family size
- A determination by the RAA to exercise or not to exercise any right or remedy against an owner under a HAP contract

The RAA will only offer participants the opportunity for an informal hearing when required by the regulations.

### **16.2.2 Notice to the Family**

[24 CFR 982.555(c)]

When the RAA makes a decision that is subject to informal hearing procedures, the RAA must inform the family of its right to an informal hearing at the same time that it informs the family of the decision. The RAA will also include information on how to request a reasonable accommodation if needed.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, the RAA must notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to EOHLC's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

In cases where the RAA makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following:

- The proposed action or decision of the RAA.
- A brief statement of the reasons for the decision including the regulatory reference.
- The date the proposed action will take place, i.e., the decision is effective.
- A statement of the family's right to an explanation of the basis for the RAA's decision.
- A statement that if the family does not agree with the decision, the family may request an informal hearing of the decision.
- A deadline for the family to request the informal hearing, including to whom the hearing request should be addressed.
- A copy of the RAA's hearing procedures.

If the family does not avail itself of the opportunity for an informal hearing at the RAA, it may not appeal a termination decision to EOHLC.

### **16.2.3 Scheduling an Informal Hearing**

[24 CFR 982.555(d)]

A request for an informal hearing must be made in writing and delivered to the RAA in person or by first-class mail, email, or fax by the close of the business day, no later than 15 business days from the date of the RAA's decision or notice to terminate assistance.

The RAA must schedule and send written notice of the informal hearing to the family within 15 business days of the family's request.

The family may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, the RAA may request documentation of the "good cause" prior to rescheduling the hearing.

Informal hearings may be conducted remotely (see [Notice PIH 2020-32](#)). If conducting a remote informal hearing, RAAs must first assess any technological barriers, such as access to a computer, phone, or tablet with a camera, adequate internet connection and data, and a sufficiently private location, that may exist for the family. Where barriers exist, RAAs shall work with families to resolve those barriers. If a family does not

have adequate technology access that will allow full participation, the informal hearing should be postponed to a more suitable time, or an in-person alternative must be provided. If postponement is warranted due to the lack of adequate technology access, the RAA may not hold against the individual his or her inability to participate in the remote informal hearing. If conducting a remote informal hearing, RAAs must ensure that all written materials to be used during the hearing are provided to, and received by, the family in advance of the session. If a family has not received the required documents prior to the scheduled remote hearing, the hearing shall be postponed until the family has received the documents.

If the family does not appear at the scheduled time and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact the RAA within 24 hours of the scheduled hearing date, excluding weekends and holidays.

The RAA will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities. Generally, hearings will not be rescheduled more than three times.

#### **16.2.4 Pre-Hearing Right to Discovery**

[24 CFR 982.555(e)]

Participants and the RAA are permitted pre-hearing discovery rights. Prior to the hearing, the family must be given the opportunity to examine any of the RAA's documents that are directly relevant to the hearing. The family must be allowed to copy any such documents at their own expense. If the RAA does not make the document available for examination on request of the family, the RAA may not rely on the document at the hearing.

For the purpose of informal hearings, documents include records and regulations.

The participant has the right to bring any documents to the hearing that they would like the hearing officer to consider. The participant must provide the RAA with a copy of all documents they intend to present at the hearing.

#### **16.2.5 Participant's Right to Bring Counsel**

[24 CFR 982.555(e)(3)]

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

#### **16.2.6 Informal Hearing Officer**

[24 CFR 982.555(e)(4)]

Informal hearings will be conducted by a neutral person or persons approved by the RAA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

#### **16.2.7 Attendance at the Informal Hearing**

The following persons may attend the hearing:

- A representative(s) of the RAA and any witnesses for the RAA.
- The participant and any witnesses for the participant.
- The participant's counsel or other representative.
- An interpreter, if desired.
- Any other person approved by the RAA, whether as a reasonable accommodation for a person with a disability or for support.

Other Persons Affected: Any person who can demonstrate that they may be substantially and specifically affected by the proceeding may be allowed to participate in the hearing, in whole or in part, or they may be allowed to present evidence, either orally or in writing. It is not the responsibility of the RAA to determine if there may be anyone who meets this criterion. However, if someone, such as an owner, learns of the hearing on their own, and claims to have a vested interest in the outcome of the hearing, the RAA must determine if they qualify under this section.

### **16.2.8 Interpretive Services**

In order to communicate with people who need services or information in a language other than English, including American Sign Language, the RAA will offer, or ensure that the family is offered through other sources competent language interpretation services free of charge to the person requiring the services. Where the person requiring services desires, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the RAA.

### **16.2.9 Conduct at Hearings**

The person who conducts the hearing may regulate the conduct of the hearing in accordance with EOHLC's hearing procedures [24 CFR 982.555(4)(ii)].

The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct.

Any person demonstrating disruptive, abusive, or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

### **16.2.10 Evidence**

[24 CFR 982.555(e)(5)]

The RAA and the family must be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

- *Oral evidence*: the testimony of witnesses.
- *Documentary evidence*: a writing which is relevant to the case, for example, a letter written to the RAA. Writings include all forms of recorded communication or representation, including letters, words, pictures, sounds, videotapes, or symbols or combinations thereof.
- *Demonstrative evidence*: Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.
- *Real evidence*: A tangible item relating directly to the case.

The hearing officer has the authority to overrule any objections to evidence.

### **16.2.11 Recording of the Hearing**

The RAA will record and maintain an audio recording of all informal hearings. The RAA may determine how to make the recording, but it must be possible to make a transcript from the recording, if necessary.

### **16.2.12 Hearing Officer's Decision**

[24 CFR 982.555(e)(6)]

The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing. In rendering a decision, the hearing officer will consider the following matters:

- *The RAA's Notice to the Family:* The hearing officer will determine if the RAA's notice was appropriately issued and if the reasons for termination contained in the Notice are allowable under the federal regulations and EOHLC policies.
- *Discovery:* The hearing officer will determine if the RAA and the family were given the opportunity to examine any relevant documents in accordance with EOHLC policy.
- *EOHLC's RAA's Evidence to Support the RAA's Decision:* The hearing officer will evaluate the facts to determine if they support the RAA's conclusion.
- *Whether the Facts Support Termination on the Grounds Specified in the Termination Notice:* The hearing officer will determine if the termination of assistance is for one of the reasons specified in the Notice. If the reasons for termination are not specified in the Notice and/or are not in compliance with EOHLC policies, then the decision of the RAA will be overturned.

The hearing officer will issue a written decision to the family and the RAA no later than 30 business days after the hearing. The decision will contain the following information:

- *Hearing Information:* Name of the participant; date, time, and place of the hearing; name of the hearing officer; name of the RAA's representative; and name of family representative (if any).
- *Background:* A brief, impartial statement of the reason for the hearing.
- *Summary of the Evidence:* The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of their testimony and that are admitted into evidence.
- *Findings of Fact:* The hearing officer will include findings of fact, based on a preponderance of the evidence. Preponderance of the evidence is defined as 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.
- *Conclusions:* The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold the RAA's decision.
- *Order:* The hearing report will include a statement of whether the RAA's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the RAA to change the decision in accordance with the hearing officer's determination. In the case of termination of assistance, if overturned, the hearing officer will instruct the RAA to restore the participant's program status.

### **16.2.13 Rehearing or Further Hearing**

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

Except as otherwise required, if the family misses an appointment or deadline ordered by the hearing officer, the action of the RAA will take effect and another hearing will not be granted.

A rehearing or a further hearing may be requested for the purpose of rectifying any obvious mistake of law made during the hearing or any obvious injustice not known at the time of the hearing. Within 15 business days after the date the hearing officer's report is mailed to the RAA and the participant, the RAA or the

participant may request a rehearing or a further hearing. Such request must be made in writing and postmarked or hand-delivered to the hearing officer and to the other party within the 15 business days after the date the hearing officer's report is mailed. The request must demonstrate cause, supported by specific references to the hearing officer's report, why the request should be granted.

It shall be within the sole discretion of the RAA to grant or deny the request for further hearing or rehearing. A further hearing may be limited to written submissions by the parties, in the manner specified by the hearing officer.

#### **16.2.14 Notice of Final Decision**

[24 CFR 982.555(f)]

The RAA is not bound by the decision of the hearing officer for matters in which the RAA is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements, or are otherwise contrary to federal, state or local laws.

If the RAA determines it is not bound by the hearing officer's decision in accordance with HUD regulations, the RAA must promptly notify the family of the determination and the reason for the determination.

The RAA will mail a "Notice of Final Decision" including the hearing officer's report, to the participant and their representative. This Notice will be sent by first-class mail, postage pre-paid. The participant will be mailed the original "Notice of Final Decision". A copy of the "Notice of Final Decision" will be maintained in the RAA's file.

Informal hearing decisions made by the RAA are final and cannot be appealed to EOHLC.

#### **16.2.15 Appeals Following Reinstatement with Conditions**

When a participant is reinstated with conditions by the RAA and subsequently breaches those same conditions within one year, the RAA reserves the right to proceed with the original termination of subsidy. The participant will not have the ability to request a new hearing or appeal the termination again.

If more than one year has passed before the conditions are breached, the RAA must conduct another hearing to determine if the circumstances have changed.

If the participant is subsequently terminated for a different reason, the RAA must conduct a new hearing.

### **16.3 HEARING AND APPEAL PROVISIONS FOR NON-CITIZENS**

[24 CFR 5.514]

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review.

Assistance to a participant family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a participant family may not be terminated or denied while the RAA's hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or the RAA's informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

#### **16.3.1 Notice of Denial or Termination of Assistance**

[24 CFR 5.514(d)]

As discussed in [CHAPTER 4](#) and [Termination Notice](#), the notice of denial or termination of assistance for noncitizens must advise the family:

- That financial assistance will be denied or terminated and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance if at least one family member is a citizen or has eligible immigration status.
- In the case of a participant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with the RAA either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

### **16.3.2 USCIS Appeal Process**

[24 CFR 5.514(e)]

When the RAA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the RAA will notify the family of the results of the USCIS verification within 15 business days of receiving the results. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide the RAA with a copy of the written request for appeal and the proof of mailing within 15 business days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to the RAA, of its decision. When the USCIS notifies the RAA of the decision, the RAA will notify the family of its right to request an informal hearing within 15 business days of receiving notice of the USCIS decision regarding the family's immigration status.

### **16.3.3 Informal Hearing Procedures for Applicants**

[24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that the RAA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the RAA's notice of denial, or within 30 days of receipt of the USCIS appeal decision.

### **16.3.4 Informal Hearing Officer**

The RAA must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

### **16.3.5 Evidence**

The family will be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of the RAA pertaining to the family's eligibility

status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family must also be provided the opportunity to refute evidence relied upon by the RAA, and to confront and cross-examine all witnesses on whose testimony or information the RAA relies.

### **16.3.6 Representation and Interpretive Services**

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The RAA will ensure that people who need language access services are provided those services, as described in

[Interpretive](#) Services.

### **16.3.7 Recording of the Hearing – Non-Citizens**

The RAA will record and maintain an audio recording of all informal hearings. The RAA may determine how to make the recording, but it must be possible to make a transcript from the recording, if necessary.

### **16.3.8 Hearing Decision**

The RAA must provide the family with a written final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The decision must state the basis for the decision.

### **16.3.9 Informal Hearing Procedures for Residents**

[24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that the RAA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the RAA's notice of termination, or within 30 days of receipt of the USCIS appeal decision.

For the informal hearing procedures that apply to participant families whose assistance is being terminated based on immigration status, see [Informal Hearings for Participants](#).

### **16.3.10 Retention of Documents**

[24 CFR 5.514(h)]

The RAA must retain for a minimum of five years the following documents that may have been submitted to the RAA by the family, or provided to the RAA as part of the USCIS appeal or the informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing

- The final informal hearing decision

# CHAPTER 17 : PROGRAM INTEGRITY

## 17.1 INTRODUCTION

The RAAs are committed to ensuring that subsidy funds made available to EOHLC and the RAAs are spent in accordance with HUD requirements. This chapter covers HUD and EOHLC policies designed to prevent, detect, investigate, and resolve instances of program abuse or fraud.

## 17.2 PREVENTING ERRORS AND PROGRAM ABUSE

The RAAs are required to use the EIV system in its entirety in accordance with HUD administrative guidance as a tool to prevent errors and program abuse [24 CFR 5.233]. The RAAs are further required to:

- Provide applicants/participants with form HUD-52675, “Debts Owed to PHAs and Terminations”
- Require all adult members of an applicant/participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file

To ensure that EOHLC’s HCV program is administered effectively and according to the highest ethical and legal standards, the RAAs will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

- The RAA will discuss program compliance and integrity issues during the voucher briefing sessions described in [CHAPTER 5](#).
- The RAA will provide each applicant and participant with a copy of “Is Fraud Worth It?” (Form HUD-1141-OIG) which explains the types of actions a family must avoid and the penalties for program abuse.
- The RAA will provide each applicant and participant with a copy of “What You Should Know about EIV,” a guide to the EIV system published by HUD as an attachment to Notice PIH 2010-19. In addition, the RAA will require the head of each household to acknowledge receipt of the guide by signing a copy for retention in the family file.
- The RAA will place a warning statement about the penalties for fraud (as described in 18 USC 1001 and 1010) on key forms and form letters that request information from a family or owner.
- The RAA’s staff will be required to review and explain the contents of all HUD- and PHA-required forms prior to requesting family member signatures.

For purposes of this chapter the term error refers to an unintentional error or omission. Program abuse or fraud refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

### 17.2.1 Detecting Errors and Program Abuse

#### Quality Control and Analysis of Data

The RAA will review a random sample of tenant records to determine if the records conform to program requirements and to conduct quality control inspections of a sample of units to ensure HQS compliance.

In addition, the RAA will employ a variety of methods to detect errors and program abuse, including:

- The RAA routinely will use available sources of up-front income verification, including HUD’s EIV system to compare with family-provided information.
- The RAA will compare family-reported income and expenditures to detect possible unreported income.

#### Independent Audits and HUD Monitoring

OMB Uniform Guidance (Super Circular) requires all PHAs that expend \$750,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of EOHLC activities and notifies EOHLC of errors and potential cases of program abuse.

EOHLC will use the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of EOHLC's error detection and abuse prevention efforts.

#### Individual Reporting of Possible Errors and Program Abuse

The RAAs will encourage staff, program participants, and the public to report possible program abuse.

### **17.2.2 Investigating Errors and Program Abuse**

#### When the RAA Will Investigate

The RAA will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for the RAA to investigate, the allegation must contain at least one independently verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

The RAA will investigate inconsistent information related to the family that is identified through file reviews and the verification process.

#### Consent to Release of Information

[24 CFR 982.516]

The RAA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the RAA will require HCV families to give consent to the release of additional information.

#### Analysis and Findings

The RAA will base its evaluation on a preponderance of the evidence collected during its investigation.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence that as a whole shows that the fact sought to be proved is more probable than not.

Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

For each investigation, the RAA will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed to the RAA, and (3) what corrective measures or penalties will be assessed.

#### Consideration of Remedies

All errors and instances of program abuse must be corrected prospectively. Whether the RAA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

In the case of family-caused errors or program abuse, the RAA will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

In the case of owner-caused errors or program abuse, the RAA will take into consideration (1) the seriousness of the offense, (2) the length of time since the violation has occurred, and (3) the effects of a particular remedy on family members who were not involved in the offense.

#### Notice and Appeals

Upon conclusion of the investigation, the RAA will inform the relevant party in writing of its findings and remedies within 15 business days. The notice will include (1) a description of the error or program abuse, (2) the basis on which the RAA determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through the informal review or hearing process, if applicable (see [CHAPTER 16](#)).

## **17.3 CORRECTIVE MEASURES AND PENALTIES**

### **17.3.1 Subsidy Underpayments and Overpayments**

A subsidy underpayment or overpayment includes (1) an incorrect housing assistance payment to the owner, (2) an incorrect family share established for the family, and (3) an incorrect utility reimbursement to a family.

#### **17.3.1.1 Corrections**

Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, The RAA must promptly correct the HAP, family share, and any utility reimbursement prospectively.

Increases in the family share will be implemented only after the family has received 30 days' notice.

Any decreases in family share will become effective the first of the month following the discovery of the error.

#### **17.3.1.2 Reimbursement**

Whether the family or owner is required to reimburse the RAA or the RAA is required to make retroactive subsidy payments to the owner or family depends upon which party is responsible for the incorrect subsidy payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the sections that follow.

### **17.3.2 De Minimis Errors**

De minimis errors occur when a determination of a family's income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income (or \$360 in annual adjusted income).

The RAA will not be considered out of compliance solely due to de minimis errors in calculating family income. The RAA, once aware of the existence of an income calculation error, must correct the error retroactive to the effective date of the action regardless of dollar amount. The RAA must credit or repay the family if the family was overcharged tenant rent. However, families will not be required to repay the RAA in instances where the RAA miscalculated the income resulting in the family being undercharged for rent.

### **17.3.3 Family-Caused Errors and Program Abuse**

An incorrect subsidy determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows the RAA to use incorrect information provided by a third party.

Any of the following will be considered evidence of family program abuse:

- Payment to the owner in excess of amounts authorized by the RAA for rent, security deposit, and additional services.
- Offering bribes or illegal gratuities to employees, contractors, or other representatives of EOHLC or the RAAs, or the Board of Directors of any of the RAAs.
- Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to the RAA on the family's behalf.
- Use of a false name or the use of falsified, forged, or altered documents.

- Intentional misreporting of family information or circumstances (e.g. income, family composition).
- Omitted facts that were obviously known by a family member (e.g., not reporting employment income).
- Admission of program abuse by an adult family member.
- The RAA may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

### **17.3.3.1 Family Reimbursement to the RAA**

In the case of family-caused errors or program abuse, the family will be required to repay any excess subsidy received. The RAA may, but is not required to, offer the family a repayment agreement in accordance with the policies in this chapter of the Plan (see sections [Family Debts](#) to through

[Repayment Agreement](#)). If the family fails to repay the excess subsidy, the RAA will terminate the family's assistance in accordance with the policies in [CHAPTER 15](#).

### **17.3.3.2 Reimbursement to Family**

The RAA will not reimburse the family for any underpayment of assistance when the underpayment clearly is caused by the family's omission or misrepresentation of information. Where the underpayment of assistance is as a result of the family-caused omission or misrepresentation of information, the RAA will process a reexamination effective no earlier than the month following when the issue was brought to the attention of the RAA by the family or the month following the date the issue was discovered by the RAA. The tenant family is obligated to provide the required information needed by the RAA to correctly calculate income, assets, expenses, and family size. For example, if a family had a decrease in income in June and they did not report the change until October 5th, the RAA would conduct an interim reexamination effective November 1st but would not retroactively reimburse the tenant starting in June for the overpayment of rent.

### **17.3.3.3 Penalties for Program Abuse**

In the case of program abuse caused by a family, the RAA may, at its discretion, impose any of the following remedies.

- The RAA will require the family to repay excess subsidy amounts paid by the RAA, as described earlier in this section.
- The RAA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in [CHAPTER 4](#) (for applicants) and [CHAPTER 15](#) (for participants)
- The RAA may deny or terminate the family's assistance following the policies set forth in [CHAPTER 4](#) and [CHAPTER 15](#) respectively.
- The RAA may refer the family for state or federal criminal prosecution as described in this chapter.

### **17.3.4 Owner-Caused Error or Program Abuse**

An incorrect subsidy determination caused by an owner generally would be the result of an incorrect owner statement about the characteristics of the assisted unit (e.g., the number of bedrooms, which utilities are paid by the family). It also includes accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.

#### Owner Reimbursement to the RAA

In all cases of overpayment of subsidy caused by the owner, the owner must repay to the RAA any excess subsidy received in accordance with the policies in this plan. The RAA may recover overpaid amounts by

withholding housing assistance payments due for subsequent months, or if the debt is large, the RAA may allow the owner to pay in installments over a period of time.

### Prohibited Owner Actions

An owner participating in the HCV program must not:

- Make any false statement to the RAA [18 USC Section 1001]
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.453(a)(3)]

Any of the following will be considered evidence of owner program abuse:

- Charging the family rent above or below the amount specified by the RAA.
- Charging a security deposit other than that specified in the family's lease.
- Charging the family for services that are provided to unassisted tenants at no extra charge.
- Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit.
- Knowingly accepting incorrect or excess housing assistance payments.
- Offering bribes or illegal gratuities to employees, contractors, or other representatives of EOHLC or the RAAs, or the Board of Directors of any of EOHLC's RAAs.
- Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to the RAAs.
- Residing in the unit with an assisted family.

### Remedies and Penalties

When the RAA determines that the owner has committed program abuse, the RAA may take any of the following actions:

- Require the owner to repay excess housing assistance payments, as discussed earlier in this section and in accordance with the policies in this chapter.
- Terminate the HAP contract (see [HAP Contract Term and Terminations](#)).
- Bar the owner from future participation in any EOHLC programs.
- Refer the case to state or federal officials for criminal prosecution as described in this chapter.

### **17.3.5 RAA-Caused Errors or Program Abuse**

This section specifically addresses actions of the RAA's staff that are considered errors or program abuse related to the HCV program. Additional standards of conduct may be provided in EOHLC's or the RAA's personnel policy.

Incorrect subsidy determinations caused by the RAA include (1) failing to correctly apply HCV rules regarding family composition, income, assets, and expenses, (2) assigning the incorrect voucher size to a family, and (3) errors in calculation.

#### **17.3.5.1 Repayment to the RAAs**

Neither a family nor an owner is required to repay an overpayment of subsidy if the error or program abuse is caused by the RAA's staff.

### **17.3.5.2 EOHLC's or The RAA's Reimbursement to Family or Owner**

The RAA must reimburse a family for any underpayment of subsidy, regardless of whether the underpayment was the result of staff-caused error or staff or owner program abuse. Funds for this reimbursement must come from administrative fee reserves.

### **17.3.5.3 Prohibited Activities**

Any of the following will be considered evidence of program abuse by EOHLC's or the RAA's staff:

- Failing to comply with any HCV program requirements for personal gain.
- Failing to comply with any HCV program requirements as a result of a conflict-of-interest relationship with any applicant, participant, or owner
- Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to EOHLC or the RAAs.
- Disclosing confidential or proprietary information to outside parties, except as authorized or otherwise required.
- Gaining profit as a result of insider knowledge of EOHLC's or the RAA's activities, policies, or practices.
- Misappropriating or misusing HCV funds.
- Destroying, concealing, removing, or inappropriately using any records related to the HCV program.
- Committing any other corrupt or criminal act in connection with any federal housing program.

### **17.3.5.4 Criminal Prosecution**

When the RAA determines that substantial program abuse by an owner, family, EOHLC or RAA staff has occurred, EOHLC or the RAA may refer the matter to the appropriate entity, including the HUD Office of Inspector General, for investigation or prosecution.

Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

### **17.3.6 Fraud and Program Abuse Recoveries**

EOHLC or the RAA may retain a portion of program fraud losses that are recovered from a family or owner through litigation, court order, or a repayment agreement [24 CFR 982.163].

EOHLC or the RAA must be the principal party initiating or sustaining the action to recover amounts due from tenants that are due as a result of fraud and abuse. EOHLC or the RAAs are permitted to retain the greater of [24 CFR 792.202]:

- 50% of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
- Reasonable and necessary costs that EOHLC or the RAA incurs related to the collection including costs of investigation, legal fees, and agency collection fees.

The family must be afforded the opportunity for an informal hearing in accordance with [Informal Hearings for Participants](#).

If HUD incurs costs on behalf of EOHLC or the RAA related to the collection, these costs must be deducted from the amount retained by EOHLC or the RAA.

## **17.4 OWNER AND FAMILY DEBTS TO THE RAA**

When an action or inaction of an owner or participant results in the overpayment of housing assistance, the RAA holds the owner or participant liable to return any overpayments to the RAA.

The RAA may enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

When an owner or participant refuses to repay monies owed to the RAA, the RAA will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil lawsuit

## **17.5 REPAYMENT OF OWNER DEBTS TO THE RAA**

Any amount due to the RAA by an owner must be repaid by the owner within 30 days of the RAA's determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, the RAA will reduce the future HAP payments by the amount owed until the debt is paid in full. If the owner is not entitled to future HAP payments, the RAA may, in its sole discretion, offer to enter into a repayment agreement in accordance with the policies below.

If the owner refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the RAA will ban the owner from future participation in the program and pursue other modes of collection.

## **17.6 FAMILY DEBTS TO THE RAA**

[Notice PIH 2017-12]

Any amount owed to the RAA by an HCV family must be fully repaid by the family. The family may pay the amount owed in full. If the family is unable to repay the debt in full within 30 days, the RAA may, but is not required to, enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the RAA will terminate assistance in accordance with the policies in [CHAPTER 15](#) and pursue other modes of collection.

If the family's assistance is terminated and repayment has not been made and the money is still owed, the RAA may take action to collect the amount owed even though the family is no longer a Section 8 participant.

## **17.7 GENERAL REPAYMENT AGREEMENT GUIDELINES FOR FAMILIES**

The RAA is not obligated to enter into a repayment agreement with a family. When deciding whether to enter into a repayment agreement with the family, the RAA should consider the family's history of meeting its family obligations under the HCV program, including any history of fraud. The following guidelines should be followed:

- The agency may enter into a repayment agreement with any participant family that has not entered into a repayment agreement with the agency within the last seven years.
- The RAA will not enter into more than one repayment agreement with a participant family within a seven-year period even if the previous amount owed has been repaid in full.

The following should also be considered when deciding if the RAA should enter into a repayment agreement with the family. If the RAA enters into a repayment agreement, the RAA will use the factors outlined below to determine the term, down payment, and monthly payment:

- The amount owed by the family
- The reason for the debt
- The family’s current and potential income and expenses
- Any other information that is relevant to the case.

## **17.8 REPAYMENT AGREEMENT**

[24 CFR 792.103] [Notice PIH 2017-12]

The term repayment agreement refers to a formal written document signed by a tenant or owner and provided to the RAA in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

HUD requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income. At a minimum, these repayment agreements must contain the following provisions:

- A reference to the items in the family briefing packet that state the family’s obligation to provide true and complete information at every reexamination and the grounds on which the RAA may terminate assistance because of a family’s action or failure to act
- A statement clarifying that each month the family not only must pay to the RAA the monthly payment amount specified in the agreement but must also pay to the owner the family’s monthly share of the rent to owner
- A statement that the terms of the repayment agreement may be renegotiated if the family’s income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance.

### **17.8.1 Term of Agreement**

The maximum term of a repayment agreement is 60 months. A waiver of up to two additional years may be granted only by the RAA’s Leased Housing Director or their designee for verifiable mitigating circumstances.

### **17.8.2 Minimum Monthly Payment**

The monthly payment is structured at the discretion of the RAA so that it is achievable by the family within a period of up to 60 months. However, one additional two-year waiver may be granted. A participant family may make a lump sum payment at the onset of the agreement or any time during the term of the agreement to reduce the monthly repayment amount.

For example, if a family owes \$3,000 then the repayment agreement would be structured so that the family is paying at least \$50 dollars/month. In certain cases, the RAA may make an exception to the 60-month payment structure. If a two-year waiver is granted, as explained above, the monthly payment would not be structured so that is achievable by the family within 60 months and in this case, the family may be paying less than \$50/month.

### **17.8.3 Missed Payments**

When a family falls behind a total of three payments at any time during the term of the repayment agreement, it is in default of the repayment agreement and will be immediately terminated from the program.

If a family fails to make a monthly payment, but later makes a double payment, the missed payment will not be counted as one of the three that leads to termination. If a family that is being terminated for missing three

payments pays the entire debt in full on or before the date of the termination hearing it may be reinstated to the program.

#### Impact of Bankruptcy on Tenant Debt

If a participant files for bankruptcy, any debts owed to the housing agency are dischargeable. If a participant receives a judgment of bankruptcy, any debts are discharged.

#### **17.8.4 Debts Owed for FSS Participants**

If the FSS family has not paid the family contribution towards rent, or other amounts, if any, due under the Section 8-assisted lease, the balance in the family's FSS account shall be reduced by that amount (as reported to the RAA in the Section 8 FSS program) before prorating the interest income.

Prior to the disbursement of the FSS Account to the FSS family as required by 24 CFR 984.305(c), the FSS Coordinator shall ensure that the tenant family is in good standing and in compliance with the existing lease. If the family owes any money to the RAA or the property owner, the FSS Coordinator will advise the family that they are not able to receive the FSS money until and unless the money owed to the RAA or to the property owner is paid in full.

If the potential FSS graduate's escrow account balance is equal to or greater than the amount owed to the RAA, and the family is otherwise eligible to graduate from FSS and receive their escrow balance, the RAA may disburse the escrow balance in two checks. The first would be for the amount owed to the RAA. When the tenant/graduate signs the check back over to the RAA, the debt is cleared and the RAA may disburse the remaining funds to the graduate. This process presumes an in-person meeting, with appropriate signoffs and documentation relating to the elimination of the tenant-owed debt.

# CHAPTER 18 : OWNERS

## 18.1 INTRODUCTION

Owners play a central role in the HCV program by supplying decent, safe, and sanitary housing for participating families.

The term “owner” refers to any person or entity with the legal right to lease or sublease a unit to a participant in the HCV program [24 CFR 982.4(b)]. The term “owner” includes a principal or other interested party [24 CFR 982.453; 24 CFR 982.306(f)], such as a designated agent of the owner.

Owners have numerous responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease, and complying with various contractual obligations.

## 18.2 OWNER RECRUITMENT AND RETENTION

### Recruitment

EOHLC and the RAAs are responsible for ensuring that very low-income families have access to all types and ranges of affordable housing in EOHLC’s jurisdiction, particularly housing outside areas of poverty or minority concentration. A critical element in fulfilling this responsibility is for EOHLC and the RAAs to ensure that a sufficient number of owners, representing all types and ranges of affordable housing in EOHLC’s jurisdiction, are willing to participate in the HCV program.

To accomplish this objective, EOHLC and the RAAs must identify and recruit new owners to participate in the program.

EOHLC or the RAAs will conduct owner outreach to ensure that owners are familiar with the program and its advantages. EOHLC or the RAAs will actively recruit property owners with property located outside areas of poverty and minority concentration.

These outreach strategies may include:

- Distributing printed material about the program to property owners and managers.
- Contacting property owners and managers by phone or in-person.
- Holding owner recruitment/information meetings at least once a year.
- Participating in community-based organizations comprised of private property and apartment owners and managers.
- Developing working relationships with owners and real estate brokers associations.

The RAAs will develop a specific, localized outreach strategy. Outreach strategies will be monitored for effectiveness and adapted accordingly.

### Retention

In addition to recruiting owners to participate in the HCV program, the RAAs must also provide the kind of customer service that will encourage participating owners to remain active in the program.

All RAA activities that may affect an owner’s ability to lease a unit will be processed as rapidly as possible, in order to minimize vacancy losses for owners.

The RAA will provide owners with information that explains the program, including HUD and EOHLC policies and procedures, in easy-to-understand language.

The RAA will give special attention to helping new owners succeed through activities such as:

- Providing the owner with a designated contact person

- Coordinating inspection and leasing activities between the RAA, the owner, and the family
- Providing other written information about how the program operates, including answers to frequently asked questions.

Additional services may be undertaken on an as-needed basis, and as resources permit.

### **18.3 BASIC HCV PROGRAM REQUIREMENTS FOR OWNERS**

HUD requires EOHLC and the RAA to aid families in their housing search by providing the family with a list of landlords or other parties known to EOHLC or the RAA who may be willing to lease a unit to the family, or to help the family find a unit. Although EOHLC or the RAA cannot maintain a list of owners that are pre-qualified to participate in the program, owners may indicate to the RAA their willingness to lease a unit to an eligible HCV family, or to help the HCV family find a unit [24 CFR 982.301(b)(11)].

Owners who wish to indicate their willingness to lease a unit to an eligible HCV family or to help the HCV family find a unit must notify the RAA. The RAA will maintain a listing of such owners and provide this listing to the HCV family as part of the informational briefing packet.

When a family approaches an owner to apply for tenancy, the owner is responsible for screening the family and deciding whether to lease to the family, just as the owner would with any potential tenant. The RAA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. See [CHAPTER 4](#) and [CHAPTER 10](#) for more detail on tenant family screening policies and process.

The family and the owner must jointly complete a Request for Tenancy Approval (RFTA, Form HUD 52517), which constitutes the family's request for assistance in the specified unit, and which documents the owner's willingness to lease to the family and to follow the program's requirements. When submitted to the RAA, this document is the first step in the process of obtaining approval for the family to receive the financial assistance it will need in order to occupy the unit. See [Request for Tenancy Approval](#) for more detail on request for tenancy approval policies and process. Also submitted with the RFTA is a copy of the owner's proposed dwelling lease, including the HUD-required Tenancy Addendum (Form HUD-52641-A).

The dwelling lease must comply with all program requirements [24 CFR 982.308]. If an owner uses a standard lease for unassisted tenancies, the owner should use that standard lease for assisted tenancies. However, the HCV program requires that the HUD Tenancy Addendum, which helps standardize the tenancy requirements for all assisted families, be added word-for-word to that lease. EOHLC also has a model lease which contains the requirements contained in the Tenancy Addendum. See [Lease and Tenancy Addendum](#) for a discussion of the dwelling lease and tenancy addendum, including lease terms and provisions.

The RAA and the owner enter into a formal contractual relationship by executing the Housing Assistance Payment (HAP) Contract (Form HUD-52641). The HAP contract format is prescribed by HUD. See [HAP Contract Execution](#) for a discussion of the HAP contract execution process. Specific HAP contract provisions and responsibilities are discussed later in this chapter, See [HAP Contracts](#).

HUD regulations stipulate that an assisted tenancy can be approved only under certain conditions, and the owner must be qualified to participate in the program. Owner qualifications are discussed later in this chapter, See [Owner Qualifications](#).

The selected unit must be of a type that is eligible for the program [24 CFR 982.305(a)]. In addition, the owner must document legal ownership of the specified unit. See [Eligible Units](#) for more detail on unit eligibility policies and process.

The selected unit must meet HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD [24 CFR 982.305(a)]. The RAA will inspect the dwelling unit at various stages of HCV program participation, to ensure that the unit continues to meet HQS requirements. See [CHAPTER 8](#) for a discussion of the HQS standards, as well as the process for HQS inspections at initial lease-up and throughout the family's tenancy.

The RAA must determine that the cost of the unit is reasonable [24 CFR 982.305(a)]. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See [CHAPTER 9](#) for a discussion of requirements and policies on rent reasonableness, rent comparability and the rent reasonableness determination process.

At initial lease-up of a unit, the RAA must determine that the share of rent to be paid by the family does not exceed 40% of the family's monthly adjusted income [24 CFR 982.305(a)]. See [Rent Burden](#) and

[Calculating Family Share and Subsidy](#) for a discussion of the calculation of family income, family share of rent, and HAP.

## **18.4 OWNER RESPONSIBILITIES**

[24 CFR 982.452]

The basic owner responsibilities in the HCV program are outlined in the regulations as follows:

- Performing all of the owner's obligations under the Housing Assistance Payments (HAP) contract and the lease.
- Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
- Maintaining the unit in accordance with the Housing Quality Standards (HQS), including performance of ordinary and extraordinary maintenance.
- Complying with fair housing and equal opportunity requirements.
- Preparing and furnishing to the PHA information required under the HAP contract.
- Collecting from the family any security deposit, the tenant's contribution to rent (that part of rent to owner not covered by the housing assistance payment from the RAA), and any charges for unit damage by the family.
- Enforcing tenant obligations under the dwelling lease.
- Paying for utilities and services (unless paid by the family under the lease).
- Making modifications to a dwelling unit occupied or to be occupied by a disabled person.
- Complying with the Violence Against Women Reauthorization Act of 2005, 2013 and 2022 (VAWA) when screening prospective HCV tenants or terminating the tenancy of an HCV family.

## **18.5 OWNER QUALIFICATIONS**

The RAA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the RAA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in the HCV program [24 CFR 982.306(e)].

### **18.5.1 Owners Barred from Participation**

[24 CFR 982.306(a) and (b)]

The RAA must not approve the assisted tenancy if the RAA has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. HUD may direct the RAA not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act, state fair housing laws, or other equal opportunity requirements, or if such an action is pending.

As no household member can have any ownership interest in the unit, the RAA will not approve the assisted tenancy if an approved live-in aide is also an owner of the unit.

### **18.5.2 Leasing to Relatives**

[24 CFR 982.306(d)]

The RAA must not approve an RFTA if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family. The owner is required to certify that no such relationship exists. This restriction applies at the time that the family receives assistance under the HCV program for occupancy of a particular unit. Current contracts on behalf of owners and families that are related may continue, but any new leases or contracts for these families, including through assignment of the HAP contract to a new owner, may not be approved (see Form [HUD-52641](#)§14(e); [Change in Ownership/Assignment of the HAP Contract](#)). The RAA may make an exception as a reasonable accommodation for a family member with a disability.

### **18.5.3 Conflict of Interest**

[24 CFR 982.161]

The RAA must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- Any present or former member or officer of EOHLC or the RAA (except a participant commissioner)
- Any employee of EOHLC or the RAA, or any contractor, subcontractor, or agent of EOHLC or the RAA, who formulates policy or who influences decisions with respect to the programs
- Any public official, member of a governing body, or state or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

HUD may waive the conflict-of-interest requirements, except for members of Congress, for good cause. EOHLC must submit a waiver request to the appropriate HUD Field Office for determination.

Any waiver request submitted by EOHLC must include:

- Complete statement of the facts of the case.
- Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived.
- Analysis of and statement of consistency with state and local laws. The local HUD office, EOHLC, or both parties may conduct this analysis. Where appropriate, an opinion by the state's attorney general should be obtained.
- Opinion by the local HUD office as to whether there would be an appearance of impropriety if the waiver were granted.
- Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied.
- If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives.
- If the case involves a public official or member of the governing body, explanation of their duties under state or local law, including reference to any responsibilities involving the HCV program.
- If the case involves employment of a family member by EOHLC or the RAA or assistance under the HCV program for an eligible employee of EOHLC or the RAA, explanation of the responsibilities and duties of the position, including any related to the HCV program.

- If the case involves an investment on the part of a member, officer, or employee of EOHLC or the RAA, description of the nature of the investment, including disclosure/divestiture plans.

Where EOHLC has requested a conflict-of-interest waiver, the RAA may not execute the HAP contract until HUD has made a decision on the waiver request.

In considering whether to request a conflict of interest waiver from HUD, EOHLC will consider factors the reasons for waiving the requirement; consistency with state and local laws; the existence of alternative housing available to families; the individual circumstances of a particular family; the specific duties of individuals whose positions present a possible conflict of interest; the nature of any financial investment in the property and plans for disclosure/divestiture; and the possible appearance of impropriety.

#### **18.5.4 Owner Actions That May Result in Disapproval of a Tenancy Request**

[24 CFR 982.306(c)]

HUD regulations permit the RAA, at the discretion of EOHLC or the RAA, to refuse to approve a request for tenancy if the owner has committed any of a number of different actions.

If the RAA disapproves a request for tenancy because an owner is not qualified, it may not terminate the HAP contract for any assisted families that are already living in the owner’s properties unless the owner has violated the HAP contract for those units.

The RAA will refuse to approve a request for tenancy if the RAA becomes aware that any of the following are true:

- The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 USC 1437f).
- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- The owner has not paid state or local real estate taxes, fines, or assessment.
- The owner has engaged in any drug-related criminal activity or any violent criminal activity.
- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.
- The owner has a history or practice of renting units that fail to meet state or local housing codes.
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
  - Threatens the right to peaceful enjoyment of the premises by other residents.
  - Threatens the health or safety of other residents, of employees of EOHLC or the RAA, or of owner employees or other persons engaged in management of the housing.
  - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises.
  - Is involved in drug-related criminal activity or violent criminal activity.

In considering whether to disapprove owners for any of the discretionary reasons listed above, the RAA will consider any mitigating factors. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of families to lease units under the program, health and safety of participating families, among others. Upon consideration of such circumstances, the RAA may, on a case-by-case basis, choose to approve an owner.

### **18.5.5 Legal Ownership of Unit**

The RAA will only enter into a contractual relationship with the legal owner of a qualified unit. The RAA may require acceptable documentation of legal ownership (e.g., deed of trust, proof of taxes for most recent year).

## **18.6 NON-DISCRIMINATION**

The owner must not discriminate against any person because of race, color, national origin, religion, sex, sexual orientation, familial status, gender identity, gender expression, marital status, disability, military or veteran status, age, ancestry, or receipt of public assistance, in connection with any actions or responsibilities under the HCV program and the HAP contract with the RAA.

The owner must cooperate with the RAA and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with the RAA.

See [CHAPTER 2](#) for a more thorough discussion of Fair Housing and Equal Opportunity requirements.

## **18.7 HAP CONTRACTS**

The HAP contract represents a written agreement between the RAA and the owner of the dwelling unit occupied by an HCV assisted family. See [CHAPTER 11](#) for a discussion of the leasing process, including provisions for execution of the HAP contract. The contract spells out the owner's responsibilities under the program, as well as the RAA's obligations. The HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

### **18.7.1 HAP Contract Payments**

#### **18.7.1.1 General**

During the term of the HAP contract, and subject to the provisions of the HAP contract, the RAA will make monthly HAP payments to the owner on behalf of the family, at the beginning of each month. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month. No HAP payments will be made until the executed HAP contract is received by the RAA.

The amount of the HAP payment is determined according to the policies described in [CHAPTER 7](#) and is subject to change during the term of the HAP contract. The RAA must notify the owner and the family in writing of any changes in the HAP payment.

The monthly HAP payment by the RAA is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant, plus HAP payment, should be equal to the rent specified in the lease (the rent to owner).

The family is not responsible for payment of the HAP payment, and the RAA is not responsible for payment of the family share of rent.

The family's share of the rent cannot be more than the difference between the total rent to the owner and the HAP payment. The owner may not demand or accept any rent payment from the tenant in excess of this maximum [24 CFR 982.451(b)(4)]. The owner may not charge the tenant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)]. See [CHAPTER 11](#) for a discussion of separate, non-lease agreements for services, appliances, and other items that are not included in the lease.

If the owner receives any excess HAP from the RAA, the excess amount must be returned immediately. If the RAA determines that the owner is not entitled to all or a portion of the HAP, the RAA may deduct the amount of overpayment from any amounts due to the owner, including amounts due under any other Section 8 HCV contract. See [Owner-Caused Error or Program Abuse](#).

### **18.7.1.2 Owner Certification of Compliance**

Unless the owner complies with all provisions of the HAP contract, the owner is not entitled to receive housing assistance payments under the HAP contract.

By endorsing the monthly check or accepting the direct deposit from the RAA, the owner certifies compliance with the terms of the HAP contract. This includes certification that the owner is maintaining the unit and premises in accordance with HQS; that the contract unit is leased to the tenant family and, to the best of the owner's knowledge, the family resides in the unit as the family's only residence; the rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and that the owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

### **18.7.1.3 Late HAP Payments**

[24 CFR 982.451(a)(5)]

The RAA is responsible for making HAP payments promptly when due to the owner, in accordance with the terms of the HAP contract. After the first two calendar months of the HAP contract term, the HAP contract provides for penalties if the RAA fails to make the HAP payment on time.

Penalties for late HAP payments can only be imposed if 1) the penalties are in accordance with generally accepted local rental market practices and law governing penalties for late payment by tenants (see [M.G.L. c. 186, § 15B\(1\)\(c\)](#)); 2) it is the owner's normal business practice to charge late payment penalties for both assisted and unassisted families; and 3) the owner charges the assisted family for late payment of the family's share of the rent.

The RAA is not required to pay a late payment penalty if HUD determines that the payment is late for reasons beyond the RAA's control. In addition, late payment penalties are not required if the RAA intentionally delays or denies payment as a remedy to an owner breach of the HAP contract.

### **18.7.1.4 Termination of HAP Payments**

[24 CFR 982.311(b)]

The RAA must continue making housing assistance payments to the owner in accordance with the HAP contract as long as the tenant continues to occupy the unit and is eligible for assistance and the tenancy has not been terminated, and the HAP contract is not violated.

HAP payments terminate when the HAP contract terminates or when the tenancy is terminated in accordance with the terms of the lease.

If the owner has initiated eviction proceedings against the family and the family continues to reside in the unit, the RAA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

The owner must inform the RAA when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit.

The owner must inform the RAA when the owner has obtained a court judgment or other process allowing the owner to evict the tenant and provide the RAA with a copy of such judgment or determination.

After the owner has obtained a court judgment or other process allowing the owner to evict the tenant, the RAA will continue to make HAP payments to the owner until the family actually moves from the unit or until the family is physically evicted from the unit, whichever is earlier. The owner must inform the RAA of the date when the family actually moves from the unit or the family is physically evicted from the unit.

## **18.7.2 Breach of HAP Contract**

[24 CFR 982.453]

Any of the following actions by the owner constitutes a breach of the HAP contract:

- If the owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with HQS
- If the owner has violated any obligation under any other HAP contract under Section 8
- If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable program; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan
- If the owner has engaged in drug-related criminal activity
- If the owner has committed any violent criminal activity

If the RAA determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract. The RAA's rights and remedies against the owner under the HAP contract include recovery of any HAP overpayment, suspension of housing assistance payments, abatement or reduction of the housing assistance payment, termination of the payment or termination the HAP contract. The RAA may also obtain additional relief by judicial order or action.

The RAA must notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. The RAA must provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.

Before the RAA invokes a remedy against an owner, the RAA will evaluate all information and documents available to determine if the contract has been breached. If relevant, the RAA will conduct an audit of the owner's records pertaining to the tenancy or unit.

If it is determined that the owner has breached the contract, the RAA will consider all of the relevant factors including the seriousness of the breach, the effect on the family, the owner's record of compliance and the number and seriousness of any prior HAP contract violations.

The RAA must keep records of interactions with owners for the following circumstances:

- If an owner threatens the health or safety of or otherwise abuses employees of EOHLC or the RAA. In instances where there is a documented history of threats or abuse to employees, the RAA can seek EOHLC approval to terminate the HAP contract.
- If an owner threatens the life of EOHLC's or the RAA's employee(s), the RAA can immediately terminate the HAP contract.

When HAP contracts are terminated under these circumstances, HCVP participants must be issued vouchers and allowed to move.

### **18.7.3 HAP Contract Term and Terminations**

The term of the HAP contract runs concurrently with the term of the dwelling lease [24 CFR 982.451(a)(2)], beginning on the first day of the initial term of the lease and terminating on the last day of the term of the lease, including any lease term extensions.

The HAP contract and the payments made under the HAP contract terminate if:

- The owner or the family terminates the lease.
- The lease expires.

- The RAA terminates the HAP contract.
- The RAA terminates assistance for the family.
- The family moves from the assisted unit.
  - In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit.
- 180 calendar days have elapsed since the RAA made the last housing assistance payment to the owner.
- The family is absent from the unit for longer than the maximum period permitted by EOHLC.
- The Annual Contributions Contract (ACC) between EOHLC and HUD expires.
- The RAA elects to terminate the HAP contract.

EOHLC or the RAA may elect to terminate the HAP contract in each of the following situations:

- Available program funding is not sufficient to support continued assistance for families in the program [24 CFR 982.454]
- The unit does not meet HQS size requirements due to change in family composition [24 CFR 982.403]. See [CHAPTER 8](#)
- The unit does not meet HQS regarding maintenance [24 CFR 982.404]. See [CHAPTER 8](#)
- The family breaks up. See [CHAPTER 4](#)
- The owner breaches the HAP contract [24 CFR 982.453(b)].

If the RAA terminates the HAP contract, the RAA must give the owner and the family written notice. The notices must specify the effective date of the termination, and the notice to the family must specify the reasons for the termination.

In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which the RAA gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period and must return to the RAA any housing assistance payment received after this period.

HAP contract terminations resulting from a 24-hour HQS violation do not require a 30-day notice of contract termination.

If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required.

When the family moves from an assisted unit into a new unit, the term of the HAP contract for the new unit may begin in the same month in which the family moves out of its old unit. This is not considered a duplicate subsidy payment.

#### **18.7.4 Change in Ownership/Assignment of the HAP Contract**

The HAP contract cannot be assigned to a new owner without the prior written consent of the RAA.

Assignment of the HAP contract will be approved only if the new owner is qualified to become an owner under the HCV program according to the policies in [Owner Qualifications](#).

The RAA must receive a signed, written request from the existing owner stating the name and address of the new HAP payee and the effective date of the assignment in order to change the HAP payee under an outstanding HAP contract.

Within 15 business days of receiving the owner's request, the RAA will inform the current owner in writing whether the assignment may take place.

The new owner must provide a written certification to the RAA that includes:

- A copy of the escrow statement or other document showing the transfer of title and recorded deed.
- A copy of the owner's IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the Social Security number of the new owner.
- The effective date of the HAP contract assignment.
- A written agreement to comply with the terms of the HAP contract.
- Confirmation that the new owner is not a prohibited relative (see [Leasing to Relatives](#)).

If the new owner does not agree to an assignment of the HAP contract, or fails to provide the necessary documents, the RAA will terminate the HAP contract with the old owner. If the new owner wants to offer the family a new lease, and the family elects to stay with continued assistance, the RAA will process the leasing in accordance with the policies in [CHAPTER 13](#).

## **18.8 MTW OWNER INCENTIVE FUND PILOT PROGRAM**

See the [MTW Activity Plan](#) for policy information on this activity.

# CHAPTER 19 : SPECIAL HOUSING TYPES

## 19.1 INTRODUCTION

EOHLC permits the following special housing types: single room occupancy, congregate housing, group homes, shared housing, cooperative housing, manufactured homes, and assisted living facilities.

## 19.2 SINGLE ROOM OCCUPANCY

[24 CFR 982.602 through 982.605]

A single room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted person, and the standard form of the HAP contract is used.

A Section 8 voucher may not be used in an SRO unit that is subsidized under the Section 8 Moderate Rehabilitation Program or the Shelter Plus Care Program.

### 19.2.1 Payment Standard, Utility Allowance, and HAP Calculation

The payment standard for SRO housing is 75% of the zero-bedroom payment standard amount on EOHLC's payment standard schedule.

The utility allowance for an assisted person residing in SRO housing is 75% of the zero-bedroom utility allowance.

The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP.

### 19.2.2 Housing Quality Standards

HQS requirements described in [CHAPTER 8](#) apply to SRO housing except as modified below.

#### Access

Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by state or local law.

#### Fire Safety

All SRO facilities must have a sprinkler system that protects major spaces. "Major spaces" are defined as hallways, common areas, and any other areas specified in local fire, building, or safety codes. SROs must also have hard-wired smoke detectors, and any other fire and safety equipment required by state or local law.

#### Sanitary Facilities

Sanitary facilities must meet local code requirements for SRO housing. In the absence of local code standards, the requirements discussed below apply [24 CFR 982.605].

At least one flush toilet that can be used in privacy, a lavatory basin, and a bathtub or shower in proper operating condition must be provided for each six persons (or fewer) residing in the SRO facility. If the SRO units are leased only to men, flush urinals may be substituted for up to one half of the required number of toilets. However, there must be at least one flush toilet in the building. Every lavatory basin and bathtub or

shower must be supplied at all times with an adequate quantity of hot and cold running water. All of these facilities must be in proper operating condition and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approved public or private disposal system. Sanitary facilities must be reasonably accessible from a common hall or passageway and may not be located more than one floor above or below the SRO unit. They may not be located below grade unless the SRO units are located on that level.

#### Space and Security

Space and security characteristics must meet local code requirements for SRO housing. In the absence of local code standards, the requirements discussed below apply [24 CFR 982.605].

An SRO unit must contain at least 110 square feet of floor space, and at least four-square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SRO unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SRO unit must be lockable.

Access doors to an SRO unit must have locks for privacy in proper operating condition. An SRO unit must have immediate access to two or more approved means of exit.

Because no children live in SRO housing, the housing quality standards applicable to lead-based paint do not apply.

### **19.3 CONGREGATE HOUSING**

[24 CFR 982.606 through 982.609]

Congregate housing is intended for use by elderly persons or persons with disabilities. A congregate housing facility contains a shared central kitchen and dining area and a private living area for the individual household that includes at least a living room, bedroom, and bathroom. Food service for residents must be provided.

If approved by the RAA, a family member or live-in aide may reside with the elderly person or person with disabilities (see [Live-In Aide](#)).

When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

#### **19.3.1 Payment Standard, Utility Allowance, and HAP Calculation**

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), the RAA must use the payment standard for a 0-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), the RAA must use the 1-bedroom payment standard.

The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.

The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The resident's costs for food service should not be included in the rent for a congregate housing unit.

#### **19.3.2 Housing Quality Standards**

HQS requirements as described in [CHAPTER 8](#) apply to congregate housing except for the requirements stated below.

Congregate housing must have:

1. A refrigerator of appropriate size in the private living area of each resident.
2. A central kitchen and dining facilities located within the premises and accessible to the residents.

3. Food service for the residents, that is not provided by the residents themselves.

The housing quality standards applicable to lead-based paint do not apply.

## **19.4 GROUP HOME**

[24 CFR 982.610 through 982.614]

A group home is a state-licensed facility intended for occupancy by elderly persons and/or persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities. Persons living in a group home must not require continuous medical or nursing care.

A group home consists of bedrooms for residents, which can be shared by no more than two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.

No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.

If approved by the RAA, a live-in aide may live in the group home with a person with disabilities (see [Live-In Aide](#)).

When providing HCV assistance in a group home, a separate lease and HAP contract is executed for each assisted family, and the standard form of the HAP contract is used.

### **19.4.1 Payment Standard, Utility Allowance, and HAP Calculation**

Unless there is a live-in aide, the family unit size for an assisted occupant of a group home must be zero- or one-bedroom, depending on EOHLC's subsidy standard. If there is a live-in aide, the aide must be counted in determining the household's unit size.

If the applicant will have private facilities, such as a private bedroom and sanitary facilities, the family unit size is one; otherwise, the family unit size is zero.

The payment standard used to calculate the HAP is the lower of: (1) the payment standard for the family unit size; or (2) the pro rata shares of the payment standard for the group home size. The pro rata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted occupant in a group home is the pro rata share of the utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the pro rata portion of the reasonable rent for the group home. In determining reasonable rent, the PHA should consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

### **19.4.2 Housing Quality Standards**

HQS requirements described in [CHAPTER 8](#) apply to group homes except for the requirements stated below.

#### Sanitary Facilities

A group home must have at least one bathroom in the facility, with a flush toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or bathtub with hot and cold running water. A group home may contain private or common bathrooms. However, no more than four residents can be required to share a bathroom.

### Food Preparation and Service

Group home units must contain a kitchen and dining area with adequate space to store, prepare, and serve food. The facilities for food preparation and service may be private or may be shared by the residents. The kitchen must contain a range, an oven, a refrigerator, and a sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.

### Space and Security

Group homes must contain at least one bedroom of appropriate size for every two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.

### Structure and Material

To avoid any threat to the health and safety of the residents, group homes must be structurally sound. Elevators must be in good condition. Group homes must be accessible to and usable by residents with disabilities.

### Site and Neighborhood

Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as:

- Dangerous walks or steps
- Instability
- Flooding, poor drainage
- Septic tank back-ups
- Sewage hazards
- Mud slides
- Abnormal air pollution
- Smoke or dust
- Excessive noise
- Vibrations or vehicular traffic
- Excessive accumulations of trash
- Vermin or rodent infestation
- Fire hazards

The housing quality standards applicable to lead-based paint do not apply.

## **19.5 SHARED HOUSING**

[24 CFR 982.615 through 982.618]

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons. The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage or domestic partnership ties to the assisted family.

If approved by the RAA, a live-in aide may reside with the family to care for a person with disabilities (see [Live-In Aide](#)).

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

Two or more assisted families may enter into a shared housing arrangement provided that each family has private use of its family unit size number of bedrooms. The vouchers do not have to have been issued by the same housing authority provided that the owner is willing to meet the contract obligations of both agencies. In the event that the agencies agree to conduct a single annual inspection, then the RAA must conduct the single inspection.

### **19.5.1 Payment Standard, Utility Allowance, and HAP Calculation**

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size or the pro rata share of the payment standard for the shared housing unit size.

The pro rata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.

The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted family living in shared housing is the pro rata share of the utility allowance for the shared housing unit.

#### **Example:**

A family holds a 2-bedroom voucher. The family decides to occupy 3 out of 4 bedrooms available in the unit.

The utility allowance for a 4-bedroom unit equals \$200

The utility allowance for a 2-bedroom unit equals \$100

The pro rata share of the utility allowance is \$150 (3/4 of \$200)

The RAA will use the 2-bedroom utility allowance of \$100.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro rata portion of the reasonable rent for the shared unit. In determining reasonable rent, the RAA should consider whether sanitary and food preparation areas are private or shared.

### **19.5.2 Housing Quality Standards**

The RAA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.

HQS requirements described in [CHAPTER 8](#) apply to shared housing except for the requirements stated below.

#### Facilities Available for the Family

Facilities available to the assisted family, whether shared or private, must include a living room, a bathroom, and food preparation and refuse disposal facilities.

#### Space and Security

The entire unit must provide adequate space and security for all assisted and unassisted residents. The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family must not be less than the family unit size. A 0-bedroom or 1-bedroom unit may not be used for shared housing.

## **19.6 COOPERATIVE HOUSING**

[24 CFR 982.619]

This part applies to rental assistance for a cooperative member residing in cooperative housing. It does not apply to assistance for a cooperative member who has purchased membership under the HCV homeownership option, or to rental assistance for a family that leases a cooperative housing unit from a cooperative member.

A cooperative is a form of ownership (non-profit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged “rent,” a cooperative member is charged a “carrying charge.”

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used.

### **19.6.1 Payment Standard, Utility Allowance and HAP Calculation**

The payment standard and utility allowance are determined according to regular HCV program requirements.

The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the monthly carrying charge for the unit, plus any utility allowance, minus the TTP. The monthly carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

### **19.6.2 Housing Quality Standards**

All standard HQS requirements apply to cooperative housing units. There are no additional HQS requirements.

## **19.7 MANUFACTURED HOMES**

[24 CFR 982.620 through 982.624]

A manufactured home is a manufactured structure, transportable in one or more parts, that is built on a permanent chassis and designed for use as a principal place of residence.

A manufactured home may be an assisted unit under the HCV program in one of two ways:

- **Regular rental assistance:** The family rents a manufactured home under the regular voucher program. There is no separate charge to the family for the home space – the rental of the unit covers both the manufactured housing unit and the space [Notice PIH 2017-18]. The RAA must permit a family to lease a manufactured home and space with assistance under the program – this is not a special housing type where the RAA has discretion over whether to provide this type of assistance.
- **Manufactured home space rental assistance:** The family owns the manufactured home but is renting the space under the manufactured home space rental special housing type. This is also special housing type under the HCV program.

### **19.7.1 Special Policies for Manufactured Homeowners Who Lease a Space**

#### **19.7.1.1 Family Income and Assets**

In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a net family asset. Nor does the ownership of a manufactured home count towards the Real Property Asset Limitation.

### **19.7.1.2 Lease and HAP Contract**

There is a separate Tenancy Addendum (Form 52642-a) and separate HAP Contract (Form 52642) for this special housing type.

### **19.7.2 Payment Standard, Utility Allowance, and HAP Calculation**

#### Payment Standards

The payment standard for manufactured homes is determined in accordance with 24 CFR 982.505 and is the payment standard used for the HCV program. It is based on the applicable FMR for the area in which the manufactured home space is located.

The payment standard for the family is the lower of the family unit size (voucher size) or the payment standard for the number of bedrooms in the manufactured home.

#### Utility Allowance

EOHLC maintains a utility allowance schedule, regardless of fuel type, geographical area and building type, for tenant-paid heat and "other electric" only. This schedule will also be used for manufactured homes. For the first 12 months of the initial lease term only, the allowance must include an amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This utility hook-up allowance will not be given to a family that leases in place. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

If the amount of the monthly assistance payment for a family exceeds the monthly rent for the manufactured home space (including the owner's monthly management and maintenance charges), the RAA may pay the remainder to the family, lender, or utility company.

#### Space Rent

The rent for the manufactured home space (including other eligible housing expenses) is the total of:

- The rent charged for the manufactured home space.
- Owner maintenance and management charges for the space.
- The monthly payments made by the family to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes.
- The applicable allowance for tenant-paid utilities.

#### Amortization Costs

The monthly payment made by the family to amortize the cost of purchasing the manufactured home is the debt service established at the time of application to a lender for financing the purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home may not be included in the amortization cost. Debt service for set-up charges incurred by a family may be included in the monthly amortization payments made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize the charges.

#### Housing Assistance Payment

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the (gross) manufactured home space rent minus the TTP.

#### Rent Reasonableness

Initially, and annually thereafter, the RAA must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. The RAA must consider the location and size of the space, and any services and maintenance to be provided by the owner. By accepting the monthly HAP check, the owner certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the manufactured home park or elsewhere.

### **19.7.3 Housing Quality Standards**

Under either type of occupancy described above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in [CHAPTER 8](#) of this plan. In addition, the following requirement applies.

#### Manufactured Home Tie-Down

A manufactured home must be placed on the site in a stable manner and must be free from hazards such as sliding or wind damage. The home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

## **19.8 HOMEOWNERSHIP**

[24 CFR 982.625 through 982.643]

EOHLC does not presently offer a homeownership program.

## **19.9 ASSISTED LIVING FACILITIES**

[HUD Notice PIH 2000-41(HA)]

HUD defines an assisted living facility as a facility designed for residents who have the physical ability to live independently but need assistance with some activities of daily living, such as personal care, transportation, meals, nursing care, laundry, medication monitoring, security, and housekeeping. A public, proprietary, or private non-profit corporation or association may own an assisted living facility.

### **19.9.1 Program Requirements**

All housing choice voucher program rules apply to assisted living facilities (e.g., housing quality standards, rent reasonableness).

### **19.9.2 HAP Calculation**

The housing assistance payment is calculated the same way as the normal voucher subsidy calculation. The housing assistance payment is the lower of the gross rent (including the utility allowance for all tenant furnished utilities) minus the TTP or the payment standard applicable to the family minus the TTP.

The cost of meals or supportive services may not be included in the rent to owner.

# CHAPTER 20 : PROJECT-BASED VOUCHER PROGRAM

## 20.1 OVERVIEW

EOHLC operates a Project-Based Voucher (PBV) Program. Under the PBV program, EOHLC enters into Housing Assistance Payments contracts with property owners to provide rental assistance to eligible low-income households.

Pursuant to its MTW authority, EOHLC has implemented an Enhanced Local PBV Program that project-bases HCVs. Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program requirements described herein, EOHLC policies for the Tenant-Based Voucher Program contained in this Administrative Plan also apply to the PBV program and its tenants.

Many of the provisions of the tenant-based voucher regulations also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This chapter describes the requirements and policies related to eligibility and admission to the PBV program.

## 20.2 BUDGET AUTHORITY

### MTW Policy

EOHLC will increase the 30% cap on PB units in its portfolio. Increasing this cap will allow EOHLC to partner with a greater number of housing providers that enable low-income families to relocate to high opportunity areas. EOHLC will use a 40% as the cap for budget authority allocated to project-based vouchers.

## 20.3 RELOCATION REQUIREMENTS

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) [42 USC 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. Unless explicitly provided for in EOHLC program guidance, EOHLC may not use voucher program funds to cover relocation costs. However, EOHLC may use its administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of EOHLC to ensure the owner complies with these requirements.

## 20.4 APPROVED METHODS FOR PROPOSAL SELECTION

EOHLC may use the following methods of selection for PBV proposals.

- Selection Method 1: EOHLC may publicly issue a competitive request for PBV proposals.
- Selection Method 2: EOHLC may select proposals that have successfully competed for housing assistance under a federal, state, or local government housing assistance, community development, or supportive services program, provided the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

- Selection Method 3: Under the Housing Opportunities through Modernization Act (HOTMA), EOHLIC may attach PBVs to projects in which the PHA has an ownership interest or has control of, without following a competitive process, in cases where the PHA is engaged in an initiative to improve, develop, or replace a public housing property or site. An ownership interest means that the PHA or its officers, employees or agents are in an entity that holds any such direct or indirect interest in the building, including, but not limited to an interest as: titleholder; lessee; a stockholder; a member, or general or limited partner; or a member of a limited liability corporation. In order to be subject to this non-competitive exception, the PHA must be planning rehab or construction on the project with a minimum of \$25,000 per unit in hard costs.

#### **20.4.1 Public Notice of EOHLIC Request for PBV Proposals**

EOHLIC utilizes its web page at <https://www.mass.gov/orgs/executive-office-of-housing-and-livable-communities> to make public all major announcements and all key documents for its entire complement of housing and community development programs and activities. Key areas of public notification for which EOHLIC utilizes its web page include but are not limited to: Notifications of Funding Availability (NOFA) and Requests for Proposals (RFP); all major policy documents such as the Consolidated Plan, the Qualified Allocation Plan and the Section 8 Annual and Five-Year PHA Plan, regulations, guidelines, and dates for public hearings.

EOHLIC will announce all PBV NOFAs and any subsequent modifications to these PBV NOFAs on its website.

The Division of Housing Development (DHD) has established “One Stop” e-source center, a web-based listserve that automatically sends notices of new funding initiatives, documents relating to all their various development programs, announcements of public hearings and other important notices to any agency or person who signs up for this listserv. The “One Stop” e-source center is widely subscribed to by the development community in Massachusetts and accessible to anyone to receive e-Source Center notices on the Housing Development website. The “One Stop” e-source center is located on EOHLIC’s website at [www.mass.gov/OneStop](http://www.mass.gov/OneStop).

#### **20.4.2 Public Announcement of “Existing” PBV NOFAs**

“Fixed date-due” NOFAs will be announced at least four weeks in advance of the prescribed due date. NOFAs for “rolling” applications will be announced at least three weeks in advance of the initial application acceptance date. Any modification(s) to an “existing” PBV NOFA will be announced on the website and will indicate an effective date of the modification(s) including, in the case of “rolling” applications, the date at which EOHLIC will no longer accept additional applications.

#### **20.4.3 Public Announcement of “Development” PBV NOFAs**

EOHLIC’s Division of Housing Development (DHD) administers the Commonwealth’s Low Income Housing Tax Credit (LIHTC) program, the HOME program, and several other federal and state funded development programs. DHD solicits proposals and awards funds for these development programs based on publicly announced competitive selection criteria established for each of them. EOHLIC also partners with MassHousing, the state’s affordable housing bank, to administer on EOHLIC’s behalf, the Commonwealth’s Affordable Housing Trust Fund (AHTF).

EOHLIC currently operates two “development” PBV initiatives:

- An initiative linked to EOHLIC’s bi-annual One-Stop Affordable Housing Funding round; and
- An initiative linked to EOHLIC/MassHousing’s AHTF.

EOHLIC reserves the right to implement additional “development” initiatives.

See [Exhibit 18-1: Selection Criteria for EOHLIC Development Programs](#).

### **20.5 SELECTION OF PUBLICLY SOLICITED PBV PROPOSALS**

When using Selection Method 1, EOHLC will select PBV proposals as follows:

#### **20.5.1 “Existing” PBV Proposals**

Each NOFA, its respective proposal application, and review criteria will be posted on EOHLC’s website. EOHLC will screen all “existing” PBV proposals and make all proposal selections. It will consult with its applicable RAA prior to making a final commitment of PBV funds for each project. For “rolling” NOFAs, EOHLC will announce on its website the date it will stop accepting these PBV proposals. These proposals will be reviewed on a rolling basis as they are received unless otherwise stated in the NOFA’s proposal selection requirements.

Awards will be contingent upon 1) the availability of voucher and budget authority at the time the project is projected to be ready for occupancy; and 2) the proposal’s consistency with the published review criteria.

#### **20.5.2 “Development” PBV Proposals Linked to One-Stop Affordable Housing Funding Rounds**

Each respective NOFA for these programs will indicate if EOHLC “development” PBVs will be made available to any applicant that requests PBVs and successfully competes for the development funds. The NOFA will indicate the maximum number of PBVs that could be made available for successful One-Stop applicants and will emphasize that the proposal must be otherwise compliant with all PBV requirements.

#### **20.5.3 “Development” PBV Proposals Linked to MassHousing Affordable Housing Trust Fund**

MassHousing, which has been designated by EOHLC to administer the AHTF program on its behalf, will award AHTF funds to those projects that have requested PBVs, using the publicly announced selection criteria previously approved by EOHLC and HUD. The AHTF NOFA indicates that the proposal must be otherwise compliant with all PBV requirements. These funds are awarded on a rolling basis.

#### **20.5.4 “Development” PBV Proposals for Any Future Initiative**

Awards of PBV assistance for any future development initiative that EOHLC may elect to implement will be made by EOHLC and/or a publicly announced partner agency designated by EOHLC for this purpose.

### **20.6 SELECTION OF PBV PROPOSALS PREVIOUSLY SELECTED THROUGH A NON-PBV COMPETITION**

When using Selection Method 2, EOHLC will award PBV contracts as outlined below:

- Adequate PBV voucher and budget authority is projected to be available when the units are ready for occupancy.
- The request meets a compelling need and is otherwise consistent with EOHLC’s long-term affordable housing goals.
- The project is otherwise in compliance with all HUD and EOHLC PBV requirements.
- Number of units requested and target population is consistent with current EOHLC PBV NOFA requirements.

The owner/project sponsor must initiate a written request for PBV assistance to EOHLC accompanied by a letter from the “selection agency” that competitively selected the project for housing assistance under a federal, state, or local government program. This letter, submitted on the “selection agency’s” letterhead and signed by an authorized official, must include the following information:

- Date of the proposal selection.
- A certification that the proposal was competitively selected by the agency in full compliance with all publicly advertised selection requirements.

- A statement that proposal selection did not involve any consideration that the project would receive PBV assistance.
- A copy of the NOFA or other similar solicitation for affordable housing assistance that the owner/project sponsor responded to.
- A description of the housing program for which the applicant successfully completed, noting any special deed restrictions and/or special considerations such as tenant selection preferences.

## **20.7 SELECTION OF PHA-OWNED HOUSING PROPOSALS**

PHA-Owned housing is defined as PHA-owned dwelling units, in a project, that are owned by the PHA, owned by an entity wholly controlled by the PHA or owned by a limited liability company or partnership (LLC or LLP) in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner. See 24 CFR 982.4.

When using Selection Method 3, EOHLC will employ the following selection process for any PHA-owned housing:

### **20.7.1 “Existing” PBV PHA-Owned Unit Proposals**

#### **20.7.1.1 “Rolling” NOFAs**

Where EOHLC’s “existing” NOFA provides for proposals to be submitted on a rolling basis, EOHLC will review the proposal(s) as they are received and make awards based upon its published criteria. Any rolling “existing” PHA-owned proposal selected by EOHLC will be forwarded to HUD for its review and approval. When making the approval request, EOHLC will forward to HUD: 1) the owner/project sponsor application and all attachments; 2) the NOFA under which the proposal was submitted; and 3) the selection criteria used by EOHLC to make its determination.

#### **20.7.1.2 “Fixed Due-Date” NOFAs**

Where EOHLC’s “existing” NOFA provides for a fixed due date, EOHLC will forward to HUD a list of all applications received and a list of all applications selected in addition to items 1-3 above.

Where EOHLC’s publicly announced “existing” PBV initiative gives preference consideration to proposals that make vacant units available, EOHLC will request that HUD make its review determination as soon as possible. EOHLC will provide HUD with any additional information it requests to expeditiously process these approval requests expeditiously.

### **20.7.2 “Development” PBV for PHA-Owned Unit Proposals**

These proposals will have been selected according to the published criteria announced by EOHLC’s Division of Housing Development or MassHousing (or a future partner agency for a new “development” PBV initiative).

## **20.8 EOHLC NOTICE OF OWNER SELECTION**

EOHLC will give prompt written notice to the party that submitted a selected proposal. Such notice may include a deadline by which the parties must enter into an AHAP/HAP contract. EOHLC will also give prompt public notice of such selection EOHLC approval. Public notice procedures may include publication of public notice in a local newspaper of general circulation, on EOHLC’s website, or other means designed and actually operated to provide broad public notice.

## **20.9 HOUSING TYPE**

EOHLC may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that is executed prior to the start of construction.

A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of EOHLC selection, the units substantially comply with HQS and it is determined that the project is not reasonably expected to require substantial improvement through the first two years of the HAP contract. Units for which new construction or rehabilitation begins after the owner’s proposal submission but prior to the execution of the HAP do not subsequently qualify as existing housing. Units that are newly constructed or rehabilitated in violation of program requirements also do not qualify as existing housing.

### **20.9.1 Prohibition of Assistance for Certain Units**

EOHLC will not attach or pay PBV assistance to:

- A public housing unit
- A unit subsidized with any other form of Section 8 assistance.
- A unit subsidized with any governmental rent subsidy.
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing.
- A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments).
- A Section 202 project for non-elderly with disabilities.
- Section 811 project-based supportive housing for persons with disabilities.
- Section 202 supportive housing for the elderly.
- A Section 101 rent supplement project.
- A unit subsidized with any form of tenant-based rental assistance.
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or EOHLC in accordance with HUD requirements.

### **20.10 SUBSIDY LAYERING REVIEW (SLR)**

The SLR is “intended to prevent excessive public assistance for the housing by combining (layering) housing assistance subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.” Subsidy layering reviews do not apply to existing housing. A further subsidy layering review is not required for new construction or rehabilitation if HUD's designee has conducted a review that included a review of PBV assistance in accordance with the PBV subsidy layering guidelines.

### **20.11 CAP ON NUMBER OF PBV UNITS IN PROJECT**

#### **MTW Policy**

EOHLC may project-base up to 100% of the dwelling units in any PBV project or building.

### **20.12 FAMILIES RECEIVING SUPPORTIVE SERVICES**

Where supportive services are provided, the project will make supportive services available to all families receiving PBV assistance in the project, but the family does not actually have to accept and receive supportive services for the exception to apply to the unit, although the family must be eligible to receive the supportive services.

The RFP for PBV assistance will describe the type of supportive services that are required under the solicitation. It is not necessary that the services be provided at or by the project but must be reasonably available to families receiving PBV assistance at the project and designed to help families in the project achieve self-sufficiency or live in the community as independently as possible.

The RAA will monitor the excepted family's continued receipt of supportive services and take appropriate action regarding those families that fail without good cause to complete their supportive services requirement.

A family that becomes ineligible for the supportive services during its tenancy cannot be terminated from the program or evicted from the unit for that reason.

EOHLC may support PBV units targeted to families receiving supportive services, including but not limited to:

- Household Training (e.g.: homemaking, parenting skills, money management)
- Job Training (preparation and counseling, job development and placement, follow-up assistance after job placement)
- Services and Resources (appropriate to assist families to achieve economic independence and self-sufficiency)
- Counseling for parents and other kinship relations caring for children with needs (programs for families adopting children from MA Department of Children and Families (DCF), foster care programs, grandfamily programs)
- Remedial Education (education for the completion of secondary or post-secondary education)
- Substance Abuse Treatment (counseling and treatment for substance abuse)

It is not necessary that the services be provided on site or by the project sponsor if the RAA has approved the services.

## **20.13 SITE SELECTION STANDARDS**

Every PBV owner applicant must demonstrate that their project is consistent with HUD's statutory goal of "deconcentrating poverty and expanding housing and economic opportunities." EOHLC will assess each application in this regard based on the following HUD-mandated criteria:

### **20.13.1 Existing and Rehabilitated Housing Site and Neighborhood Standards**

EOHLC will enter into an agreement when it is confirmed that a site complies with the following site and neighborhood standards.

The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed.
- Have adequate utilities and streets available to service the site.
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- Be accessible to social, recreational, educational, commercial, health facilities and services, and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units.
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

### **20.13.2 New Construction Site and Neighborhood Standards**

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed.
- The site must have adequate utilities and streets available to service the site.
- The site must not be located in an area of minority concentration unless the PHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration, or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area.
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate.
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units.
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

EOHLC will also further assess each proposal to determine if it achieves the following EOHLC Consolidated Plan and Administrative Plan objectives:

- Development and maintenance of an adequate supply of safe, decent housing that is affordable and accessible to residents with a range of income levels and household needs
- Assurance that Massachusetts residents with long-term support needs have access to appropriate services and accessible community housing options.
- Assurance of full and fair access to housing for all residents.

## **20.14 ENVIRONMENTAL REVIEW**

Every PBV project is subject to HUD environmental review requirements. Prior to execution of an AHAP (for “development” PBV projects) and a HAP (for “existing” PBV projects), the owner must present evidence that the environmental review has been performed by a HUD-designated “responsible entity” and approved by HUD, or, where applicable, categorically excluded from review under the National Environmental Policy Act (NEPA).

When an owner cannot identify a “responsible entity” to perform the environmental review requirements, EOHLC, in its capacity as a state housing and community development agency, and a HUD-authorized “responsible entity,” will take the steps necessary to complete the ER. EOHLC will publish the results of the review for public comment and at the appropriate time will send to HUD the Request for Release of Funds.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under NEPA and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

EOHLC will require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

## **20.15 LEAD-BASED PAINT**

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, the Lead-Based Paint Poisoning Prevention Act (42 USC 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 USC 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

## **20.16 HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES**

The housing must comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 USC 794) and implementing regulations at 24 CFR part 8. EOHLC or the RAA will ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 USC 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102).

## **20.17 INSPECTIONS**

### **20.17.1 Pre-Selection Inspections**

EOHLC or the RAA may examine the proposed site before the proposal selection date. If the units to be assisted already exist, EOHLC or the RAA may inspect all the units before the proposal selection date and will determine whether the units substantially comply with HQS.

To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, EOHLC or the RAA will not execute the HAP contract until the units fully comply with HQS.

### **20.17.2 Pre-HAP Contract Inspections**

The RAA will inspect each contract unit before execution of the HAP contract. The RAA will not enter into a HAP contract covering a unit until the unit fully complies with HQS.

### **20.17.3 Turnover Inspections**

Before providing assistance to a new family in a contract unit, the RAA will inspect the unit. The RAA will not provide assistance on behalf of the family until the unit fully complies with HQS.

### **20.17.4 Biennial HQS Inspections**

All PB sites will be placed on a biennial inspection frequency except under the conditions outlined below:

- Units constructed pre-1978, where a letter of lead compliance is required and children under six years of age reside, will be inspected annually.
- Based on the RAA's review of property conditions, the RAA may switch to an annual inspection frequency.
- In buildings inspected under REAC, the RAA may use the score of the REAC inspection to determine whether to inspect the units in the building annually or biennially. The scoring and inspection frequency are as follows:

<b>Score</b>	<b>Frequency of Inspection</b>
80-100	Every two years
79 & below	Every year

Based upon its inspection staff availability and the site management's capacity, the RAA reserves the right to schedule inspections for all units at a site on the same year or to schedule a portion of the units in one year and the remaining units in the next year.

The RAA reserves the right to change the inspection frequency of any project-based site at the discretion of agency management. The severity of the repair may be taken into account when revising a site's inspection frequency.

Tenants cannot opt for their site to remain on an annual inspection schedule; however, either the tenant or the owner may request a complaint inspection at any time. Complaint inspections should not be requested until the owner/tenant has been contacted and given the opportunity to respond to the HQS issue.

An owner may request to remain on an annual inspection schedule by making a written request to the RAA. The RAA will review the request and make a determination as to the required inspection frequency.

When a PB unit turns over, the RAA will conduct an initial inspection regardless of the scheduled date of the next regular HQS inspection. The next regular HQS inspection for that unit will be consistent with the next regular HQS inspection for the other units at the site.

For example, the units at a site have a scheduled regular HQS inspection date of March 2018 and the site is on a biennial inspection frequency. One of the units turns over in July 2018. The RAA conducts a turnover inspection on the unit in July 2018, prior to the new tenant moving in. The next scheduled regular HQS inspection for that unit will be March 2020 which is consistent with the regular HQS inspection date for the units at the site.

#### **20.17.5 Other Inspections**

The RAA will inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The RAA will take into account complaints and any other information coming to its attention in scheduling inspections.

The RAA will conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and will conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

#### **20.17.6 Inspecting PHA-Owned Units**

In the case of EOHLC-owned units, the inspections will be performed by an independent agency designated by EOHLC and approved by HUD. The independent entity will furnish a copy of each inspection report to EOHLC, the RAA and the HUD field office where the project is located. The RAA will take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by EOHLC as the owner.

#### **20.17.7 Remedies for HQS Violations**

If PBV units are not maintained in accordance with EOHLC PBV HQS standards (or other HAP requirements), the RAA may exercise any of its remedies under the HAP contract, including termination of assistance, abatement or reduction of HAP payment, reduction of contract units, and/or termination of the HAP contract.

### **20.18 REQUIREMENTS FOR REHABILITATED AND NEWLY CONSTRUCTED UNITS**

Prior to any demolition and/or construction, all "development" PBV units require the owner/project sponsor to enter into an Agreement to Enter into a Housing Assistance Payment (AHAP) contract with EOHLC and the RAA.

#### **20.18.1 Requirements That Must be Satisfied Prior to AHAP Execution**

It is imperative that each PBV developer understands that an AHAP cannot be executed, and no construction, demolition, or work on the land can begin, until the following actions are completed and approved by HUD (where applicable) and EOHLC:

- A subsidy layering review (SLR) for any project that has any other housing assistance from federal, state, or local agencies, including tax concessions and tax credits. HUD, or an agency designated by HUD, must perform and approve the SLR. NB: Any developer worried about the potential conflict between the sometimes lengthy the SLR approval process and EOHLC's tax credit requirement for expending a percentage of tax credit funds by a certain date should contact EOHLC's tax credit staff immediately.
- An environmental review (ER) performed by the "responsible entity" designated by the city/town or state, or a certification by the RE that a review is not required.
- If a PHA-owned property, HUD must approve the selection of the proposal and designate another agency to perform inspections and determine rent reasonableness.
- In-place tenants must be determined to be eligible for Section 8 and appropriately housed in accordance with EOHLC's subsidy standards for the HCVP. The unit cannot be assisted with PBV assistance if the tenant is not eligible and would have to be displaced, unless the tenant agrees to move and the owner is prepared to relocate the tenant household at the owner's expense, in a comparable unit located in the same or nearby building.
- The owner must provide various certifications and provide the required attachments prior to AHAP execution.
- If the unit is located in a high-poverty census tract (20% or greater), EOHLC requires that the applicant demonstrate before the AHAP can be signed that their project is consistent with HUD's statutory goal of "deconcentrating poverty and expanding housing and economic opportunities." EOHLC will make its assessment of the project's compliance with these criteria based on the totality of the applicant's response. A project that cannot demonstrate compliance with these criteria will not be permitted to enter into an AHAP.

Several of these requirements may conflict with other publicly funded housing programs. However, HUD has made clear that PBV requirements supersede other program requirements, even if these other programs are HUD-funded.

Failure to complete these steps in accordance with HUD's criteria and timeline and to obtain the required approvals means that the proposal cannot receive PBV assistance.

### **20.18.2 Required Mandatory Meeting with Owner/Project Sponsor for "Development" PBV Projects**

The RAA may inform owners that they must attend a mandatory meeting with EOHLC to discuss all key AHAP and HAP requirements. It is the owner/sponsor's responsibility to contact EOHLC's Division of Rental Assistance upon receipt of this letter to set a date and time for it. Each project has its own set of particular issues to be understood and worked out in advance of AHAP and HAP. These mandatory meetings are essential to assuring that the development process runs as smoothly as possible and that all stakeholders understand these key requirements from the day of notification of PBV selection.

The owner/sponsor is encouraged to bring the management agent for the property to this meeting. The Division of Rental Assistance invites EOHLC staff and the appropriate RAA staff. Owner/sponsors who have previously developed EOHLC PBV units are still required to attend this meeting for all new projects. Because there are almost always different stakeholders involved in each respective development project, this meeting allows key staff from each agency to meet one another before any work commences and to focus on issues specific to the project.

### **20.18.3 Agreement to Enter into a HAP Contract**

The RAA will promptly enter into the Agreement with the owner after receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

The effective date of the AHAP may either be the date of execution or a subsequent date. Under no circumstances may the effective date precede the AHAP execution date.

Time for completion of work should be based on estimated completion date, with some cushion provided for unforeseeable delays. The RAA may extend the completion date if all work is not completed by the date indicated for reasonable cause acceptable to the RAA.

The RAA and the owner will use the most current version of the HUD approved AHAP contract documents or any other local form developed and approved by EOHLC.

Each page of all exhibits must include: 1) the project name; 2) address; 3) contract number, and 4) the exhibit letter.

All construction must be completed within the time specified in the AHAP (including any extensions approved by the RAA). When all work has been completed and the units pass EOHLC's HQS inspection and are accepted by the RAA, the owner and the RAA will execute the HAP contract.

With the exception of Davis-Bacon monitoring discussed below, monitoring of Section 3 compliance in part II of the AHAP involves informing the owner of the contractual obligations contained in Part 2 of the AHAP and, where applicable, keeping a copy of owner certifications of compliance in the project file.

#### **20.18.4 Labor Standards**

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. EOHLC or the RAA will monitor compliance with labor standards.

#### **20.18.5 Completion of Housing**

The Agreement will specify the deadlines for completion of the housing, and the owner will develop and complete the housing in accordance with these deadlines. The Agreement will also specify the deadline for submission by the owner of the required evidence of completion.

##### **20.18.5.1 Evidence of Completion**

At a minimum, the owner must submit the following evidence of completion to the RAA in the form and manner required:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

##### **20.18.5.2 Acceptance of Completed Units**

Upon notice from the owner that the housing is completed, the RAA will inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The RAA will also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the RAA will not enter into the HAP contract.

If the RAA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the RAA will submit the HAP contract for execution by the owner and the RAA.

## **20.19 HOUSING ASSISTANCE PAYMENTS CONTRACT**

### **20.19.1 Term of HAP Contract and Effective Date of First Payment**

The HAP contract may be executed for a term of up to 20 years based on the owner's request and EOHLC approval. Under no circumstances may an assisted lease be made effective, or subsidy payments begin prior to the effective date of the HAP contract.

### **20.19.2 HAP Contract Year, Anniversary & Expiration Dates**

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

### **20.19.3 HAP Contract Extensions**

Within one year of expiration of the initial HAP contract, EOHLC may agree to extend the contract for an additional term not to exceed 20 years. Any extension of the term must be on the form and subject to the conditions prescribed by EOHLC at the time of the extension. EOHLC may provide for multiple extensions; however, in no circumstances may such extensions exceed 20 years, cumulatively.

In all instances, a rent reasonableness test will need to be performed at the time of contract extension.

Factors to Consider If Contract Extension is Requested:

EOHLC will consider several factors in its decision whether to extend an expiring HAP contract, including but not limited to:

- Owner compliance with HQS.
- Rate of tenant turnover. A high rate (more than 25% annually) may indicate tenant dissatisfaction with the unit or owner.
- Timeliness of owner reporting of vacancies in order to minimize the time the unit remains vacant.
- Length of unit vacancies.
- Ease of re-leasing units at turnover.
- Owner's overall compliance with the HAP contract provisions.

EOHLC will permit a HAP contract extension for a unit that may be vacant at the time the contract expires provided the vacancy is recent and the project has not experienced a high rate of turnover during the contract term.

#### **20.19.4 Wrong Unit Size for In-Place Family at Time of Contract Extension Request**

If an in-place family's bedroom needs have changed at the time of contract extension and the family is under-housed or over-housed and is no longer eligible for that particular unit size, the HAP contract may not be extended for that unit unless the family vacates the unit. In this case, the family must either be offered another PBV unit of an appropriate size, if available and nearby, or be issued a voucher at least 120 days prior to the HAP expiration date. If the family fails to use the voucher during its initial and any extended term, the voucher will expire, and the family will be responsible for the full gross rent of the unit.

In instances where the family size changes within 120 days of the HAP contract expiration, the same requirements previously stated apply. In these cases, the HAP contract can be extended for the duration of the voucher (and any extensions), or for the time it takes for the tenant to re-locate to another PBV unit.

#### **20.19.5 HAP Contract Termination or Expiration Notice Requirements**

Not less than one year before termination of the PBV HAP contract, the owner must notify EOHLC and assisted tenants of the termination. This policy does not exempt owners of notice requirements for termination of affordability restriction under M.G.L. Chapter 40T, section 2.

For purposes of this section, the term "termination" means the expiration of the HAP contract or an owner's refusal to renew the HAP contract.

If an owner does not give timely notice of termination, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of an owner's inability to collect an increased tenant portion of rent.

An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

Upon termination or expiration of the contract, a family living at the property is entitled to receive a tenant-based voucher. Tenant-based assistance would not begin until the owner's required notice period ends.

The RAA will provide the family with a voucher and the family will also be given the option by the RAA and owner to remain in their unit with HCV tenant-based assistance as long as the unit complies with inspection and rent reasonableness requirements.

The family must pay their total tenant payment (TTP) and any additional amount if the gross rent exceeds the applicable payment standard. The family has the right to remain in the project as long as the units are used for rental housing and are otherwise eligible for HCV assistance.

The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause. Families that receive a tenant-based voucher at the expiration or termination of the PBV HAP contract are not new admissions to the HCV tenant-based program and are not subject to income eligibility requirements or any other admission requirements. If the family chooses to remain in their unit with tenant-based assistance, the family may do so regardless of whether the family share would initially exceed 40% of the family's adjusted monthly income.

#### **20.19.6 HAP Contract Amendments**

##### **20.19.6.1 Substituting Contract Units**

The RAA will permit the owner to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit provided the owner has otherwise acceptably performed all requirements under the HAP contract.

##### **20.19.6.2 Amendment to Add Contract Units**

EOHLC may permit additional PBV units to be added to the PBV HAP contract provided it has adequate voucher and budget authority at the time the request is received, and:

- The HAP can be amended to add contract units regardless of when the HAP contract was signed; however, the additional units are subject to the 40% program cap on PBV units.
- The owner has otherwise acceptably performed all requirements under the HAP contract.
- Addition of unit is consistent with any EOHLC publicly stated target population requirements (i.e., elderly, disabled, homeless, family, etc.) for PBV units at the time the request is made.

### **20.19.6.3 Reduction in HAP Contract Units Due to Vacancies**

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, EOHLC or the RAA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period. Projects with units vacant for a total of 240 days or more will be permanently removed from the project and reallocated.

### **20.19.6.4 Reduction of Unit(s) from HAP Contract for Tenant-Caused Program Violations**

If a tenant family is terminated by the RAA for program violations during the term of the HAP contract, but the tenant remains in place, the subsidy may be moved to another available unit of the same size and quality in the same project (with no increase in the total number of units to be assisted) if requested by the owner.

If no eligible unit is available or if the owner does not request a unit replacement, the HAP must be reduced by that one unit. At such time as the unit becomes vacant, the owner can request that the unit be restored to the HAP contract and if adequate voucher and budget authority is available, EOHLC may reinstate the unit.

### **20.19.6.5 Reduction of Unit(s) from HAP Contract when Tenant Rent Equals Rent to Owner**

Units occupied by families whose income has increased during their tenancy resulting in the tenant rent equaling the rent to the owner, shall be removed from the HAP Contract 180 days following the last housing assistance payment on behalf of the family. A family may remain in place (as a tenant in good standing) and pay the full rental amount without assistance indefinitely. The PBV contract, however, must be reduced by one unit.

If the project is partially assisted the owner may request to substitute another same-size comparable unit for the ineligibly occupied one. If no such request is made by the owner, the HAP contract will be reduced by one unit.

Both the owner/project sponsor and the tenant will be notified by letter that the contract for the unit will be terminated effective one month from the date of notification.

If a family remains in place paying the full rent and subsequently becomes income eligible, the unit may be restored to the HAP contract if:

- Adequate voucher and budget authority is available; and
- The family has been redetermined program eligible; and
- The owner did not substitute a different unit when the HAP contract for the ineligibly occupied unit was terminated.

The only way an over-income tenant who subsequently experiences a reduction in income could be reinstated to the PBV program is if the tenant stays in the terminated unit paying full rent, as described above, and the owner did not substitute another unit.

### **20.19.7 HQS and Rent Reasonableness Requirements prior to Contract Extension**

Prior to the extension term, the following actions must occur:

- All units must be inspected for HQS compliance.

- A rent reasonableness test for each unit must be performed by the RAA.
- The units must be determined eligibly occupied and size appropriate for the in-place family.
- In the case of PHA-owned units, an independent entity approved by HUD must perform this work.

### **20.19.8 Termination by PHA**

The term of EOHLC’s contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by EOHLC in accordance with the MTW Plan or HUD instruction. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, EOHLC may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

### **20.19.9 Termination of the HAP Contract by Owner Because of Rent Reduction**

If the RAA performs a rent reasonableness test that results in a reduced amount below the initial contract rent, the owner may elect to terminate the HAP contract and the tenant must be offered the next available tenant-based voucher.

## **20.20 IN-PLACE FAMILIES**

All in-place households must be simultaneously listed on the appropriate RAA’s regional HCVP waiting list and the site-specific waiting list for the building in which they reside. These households must receive an absolute selection preference for the project-based voucher on the site-specific list. If the unit is not appropriately sized for the in-place household but another unit in the building is, the owner must offer this unit to the household before accepting any referrals from the RAA’s waiting list or selecting from their own site-specific waitlist (in the case of owner-maintained waitlists). It is the tenant’s option to accept the owner’s offer of the appropriately sized unit.

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the RAA is considered an “in-place family.” These families are afforded protection from displacement under the PBV rule.

If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the site-specific or RAA waiting list.

Once the family’s continued eligibility is determined (the RAA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the RAA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

Where there exists an in-place non-eligible, over- or under-housed household, that occupied unit cannot be brought onto the program unless the owner, at his expense, finds a suitable replacement unit acceptable to that household.

## **20.21 WAITING LIST**

A site-specific waiting list will be held for each respective PBV project. Where an owner does not maintain its own site-specific waiting list, the RAA will manage the waiting list.

EOHLC's PBV site-specific waiting lists are available on EOHLC's website at <https://www.mass.gov/service-details/rental-assistance-applications-documentation>.

Each site-specific waiting list identifies:

- Name of the project
- Location of project
- Number of bedrooms in the project
- Accessible unit availability
- Where applicable, any special preference and/or occupancy considerations

#### **MTW Policy**

Starting in FY 2013, EOHLC authorized new PBV developments to establish and manage their own site-based waiting lists. EOHLC may also work with existing owners to transition to owner-managed site-based waiting lists.

EOHLC authorizes owner/managers of PBV developments to be responsible for all PBV waiting list intake and management functions for their development. Generally, EOHLC intends to require PBV owners to assume and manage these functions; however, exceptions may be made at EOHLC's discretion. Applicants contact the owner/manager of a specific development in order to file an application. Applicant files and the waiting list itself are maintained at the development site. Owner/managers are responsible for contacting and screening applicants who come to the top of the waiting list, collecting all needed information from the applicant, and then forwarding the applicant to the RAA for eligibility determination and processing.

All PBV developments utilizing the new waiting list management methods are required to modify their tenant selection plans and other documents as needed and must administer the waiting list in conformance with EOHLC's Affirmative Fair Housing Marketing Plan and all other applicable HUD fair housing regulations and guidance.

#### **20.21.1 Notification of All HCVP Applicants**

EOHLC's tenant-based HCVP pre-application includes information to prospective HCVP applicants of their right to be listed on one or more of the PBV site-specific waiting lists.

#### **20.21.2 Applicant Responsibility for Updating Information**

Applicants will be placed on each PBV waiting list by the date and time the application is received. Applicants for any site-specific PBV project that are not on the HCVP waiting list will be automatically listed on the HCVP waiting list. If the applicant's household composition is not appropriate for the project, the waitlist owner will not place the applicant on that project's waiting list. It is the applicant's responsibility to follow up with the RAA or the site-specific owner to verify that they were placed on each respective list for which they applied.

It is the applicant's responsibility to make any requests for changes to the waiting lists they have applied to, if such changes would be necessitated by a change in the applicant's family size and/or composition or mailing address. Failure by the applicant to maintain up-to-date information with the RAA or the site-specific owner may adversely affect their position on some or all site-specific lists.

#### **20.21.3 PBV Referrals**

It is the responsibility of PBV owners and project sponsors to refer approved applicants back to the appropriate RAA when working from a RAA-maintained waiting list for their respective project. Or, if applicable, it is the responsibility of the PBV owners to refer any tenant they have selected off their own site-specific, owner-maintained wait list to the appropriate RAA for eligibility processing. The PBV owner should also provide a copy of their selection list along with each referral.

It is the responsibility of the RAA to collect owner-maintained waitlists from PBV sites every six months at a minimum however, the RAA may request these more often at their discretion. These lists should be kept with the contract file for that particular PBV. Additionally, RAA intake staff must include a memo in the record when adding a referral as a new resident in the data system. This memo should state that the RAA has a copy of the waitlist from the owner on file and that this particular resident has been properly selected.

The RAAs and their respective Housing Consumer Education Center (HCEC) may also make referrals to the site-specific lists. If units are not promptly filled because of lack of referrals, the RAAs must arrange to meet with the owner/project sponsor to emphasize their responsibility to make a suitable number of referrals or risk contract termination.

#### Referrals for “Development” PBV Projects

Approximately 60 days before the anticipated HAP date, EOHLC will add the name of the new project to its list of previously established site-specific waiting lists on its website. At that time, all in-place tenants should be added to this list by the party responsible for maintaining this list. The owner/project sponsor, the RAA and the HCEC may also begin referring other prospective applicants to the list. The owner/project sponsor can begin requesting or submitting applicant referrals to fill vacant units as soon as the list is established.

#### Development for “Existing” Projects

Simultaneous with approving the HAP for an “existing” PBV project, the RAA will add the name of the new project to its list of site-specific waiting lists on its website and the owner/project sponsor can begin making applicant referrals to the list. At that time, selecting and processing referrals for all vacant units can begin.

Generally, more applicants than there are units available should be selected in order to assure the units are filled as quickly as possible and to provide the owner with a reasonable pool of potentially acceptable applicants based on the owner’s EOHLC-approved tenant selection criteria. These selections will not have been determined Section 8 eligible by the RAA at this time. The eligibility process will occur after the owner/project sponsor has screened and selected the tenant(s).

Referred applicants who fail to respond for a period greater than two weeks will be withdrawn from the waiting list. The RAA will not require the owner to hold a unit vacant while it attempts to locate the applicant.

#### Projects that Include Both EOHLC and Local Housing Authority (LHA) PBVs

When a project includes PBVs provided by both EOHLC and an LHA, at the request of the LHA, EOHLC will consider contracting out the administration of its PBV units to the LHA in order to streamline the administration of all PBV units in the project. In these instances, the RAA may be required to refer applicants from the RAA-maintained waiting list to the LHA for all EOHLC PBV units. The LHA and the RAA will sign a Memorandum of Agreement (MOA) prepared by EOHLC that will address shared administrative functions, reporting requirements, distribution of the administrative fee and other requirements, as appropriate.

## **20.22 OWNER’S WRITTEN TENANT SELECTION PLAN**

Prior to AHAP or HAP execution each owner must submit a tenant selection plan for approval by EOHLC. Failure to present an acceptable selection plan will result in EOHLC’s withdrawal of the offer to provide PBV assistance to the project.

Each tenant selection plan should address, at a minimum, the following criteria:

- The admission preferences used to select applicants from the waiting list.
- The screening criteria and methods used to screen.
- The owner/project sponsor’s certification that both assisted and unassisted tenants will be screened using the same screening criteria and methods.
- If a credit check will be part of the screening, the minimum acceptable score.

- A statement that the owner/project sponsor will return to the RAA a copy of the applicant referral list that shows the date and time that each referred applicant contacted the owner/project sponsor and the final status of the contact.
- A statement that all applicants that pass the owner/project sponsor's screening will be referred back to the RAA as potentially acceptable tenants for a future vacancy.
- A statement that owner/project sponsor's denials will be in writing to the applicant listing the reason(s) for the denial with a copy to the RAA.

The owner may propose the use of differing screening criteria where required by other federal program funds in use in the project. EOHLC will determine if these criteria are approvable.

## **20.23 CHANGE IN HOUSEHOLD COMPOSITION BETWEEN PRELIMINARY DETERMINATION OF ELIGIBILITY AND HAP CONTRACT**

If the household's composition changes after having been preliminarily determined program-eligible, and the unit is ready to come under contract, but the unit is no longer the appropriate size for the household, the applicant will be placed back on the waiting list with their updated family composition size.

Once the tenant has vacated the unit, it may be placed under HAP. If this authority is not available, the unit cannot be brought onto the program at that time.

## **20.24 PREFERENCES**

The tenant selection plan for the PBV site includes the specific admission preferences used to select applicants from the waiting list. On a case-by-case basis, EOHLC may approve a project sponsor's request to combine preferences, e.g., homeless veterans. These preferences would be subject to approval and outlined in the project's affirmative fair housing marketing plan and tenant selection plan.

### **20.24.1 Pre-Qualifying for Certain Preference Units**

In some instances, it is appropriate to require that applicants pre-qualify for a preference in order to avoid issuing selection letters to applicants who would not otherwise be eligible and delaying the lease-up of the unit. EOHLC or the RAA will identify these units before the selection process begins. In these instances, upon receipt of an application for units in these projects – where the household size meets the preference units' bedroom size – the RAA will inform the applicant that if they wish to be considered for these units, they must submit documentation to pre-qualify their eligibility for this priority consideration.

The letter to the applicant will include:

- A description of the preference criteria for priority consideration.
- A description listing what documentation is required to verify eligibility for this consideration.
- A list of entities appropriate to verify the applicant's eligibility for the priority consideration.

When making selections for these units, applicants who have been pre-qualified will be selected before all other applicants.

### **20.24.2 Regional Residency Preference**

A regional residency preference will be applied as a ranking preference to all PBV applicants. Applicants may apply to units outside of their region, but they will not be selected until all applicants with a residency preference have been exhausted. A regional residency preference will not apply to PBV projects that have received EOHLC approval for an owner-maintained, site-based waiting list.

### **20.24.3 Homeless Preference**

EOHLC may approve homeless criteria for occupancy of units that are created to address the issue of homelessness.

An applicant will generally be considered homeless, unless otherwise provided by EOHLC, if the applicant lacks a fixed, regular, and adequate nighttime residence and has a primary nighttime residence that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing), or
- An institution in which they have been residents for more than 30 consecutive days and no subsequent residences have been identified and they lack the resources and support networks needed to obtain access to housing, or
- A public or private place not designed for, or ordinarily used as, a regular sleeping place for human beings.

#### **20.24.4 Veterans Preference**

An applicant will generally be considered a veteran, unless otherwise provided by EOHLC or the RAA, if the applicant:

- Served in the active military, navy, or air service; and
- Was discharged or released from such service.

#### **20.24.5 Youth Aging Out Preference**

EOHLC may approve a PBV preference for youth aging out of foster care and receiving supportive services.

#### **20.24.6 Preference for Certain Disability Projects**

In projects that serve persons with disabilities, EOHLC may agree to provide a preference for applicants who live in institutions or are at risk of institutionalization.

##### Tenant Selection for Community Based Housing (CBH) Units

CBH is a state bond-financed program that provides 0% deferred loans for housing for disabled people who are institutionalized or at risk of institutionalization. Clients of the MA Department of Mental Health (DMH) and the MA Department of Developmental Services (DDS) are not eligible for CBH units (because they are eligible for the state-financed Facilities Consolidation Fund (FCF) program). When CBH development funds are included in any units selected for PBV, priority shall be provided as follows:

- **First Priority:** Persons with disabilities (as that term is defined in 760 CMR 60.02) who are living in institutions or are at risk of institutionalization and are not eligible for the FCF program as set out in St. 2004, c.290, Line Item 4000-8200. Of all persons eligible for this priority, for units that incorporate special design features, preference shall be given to those persons with a documented need for the special design features.
- **Second Priority:** All persons with disabilities living in institutions or at risk of institutionalization.
- **Third Priority:** All persons with disabilities.

Eligibility for first priority will be documented by a Massachusetts Rehabilitation Commission (MRC)-approved entity.

##### Tenant Selection for Facilities Consolidation Funds (FCF) Units

FCF is a state bond-financed program that funds community-based housing for clients of the MA Department of Mental Health (DMH) and MA Department of Developmental Services (DDS) who require services. When FCF development funds are included in any unit selected for PBV, priority shall be provided as follows:

- **First Priority:** FCF-eligible clients who require services in accordance with the criteria outlined below in Preference for Disabled Households Needing Services.

- **Second Priority:** All other disabled clients requiring services in accordance with the criteria outlined below in Preference for Disabled Households Needing Services.

Eligibility for first priority in units funded with FCF will be documented by a DMH- or DDS-approved entity.

Preference for Disabled Households Needing Services

EOHLC may support projects that require preference be given to disabled households that need services offered at a particular project in accordance with the following HUD conditions and criteria:

- Preference cannot be granted to persons with a specific disability.
- The project sponsor must document that the applicant has a disability that significantly interferes with their ability to obtain and maintain themselves in housing.
- Who, without appropriate services, will not be able to obtain or maintain themselves in housing.
- For whom such services cannot be provided in a non-segregated setting (i.e. a tenant-based voucher for an independently selected unit would not meet the needs of the applicant).
- Disabled residents shall not be required to accept the particular services offered at the project.
- In advertising the project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible persons with disabilities who may benefit from the services provided.

Tenant Eligibility for Preference for Disabled Households Needing Services

The owner/project sponsor must identify in their application which professional organization and/or independent individual(s) will make the assessment that a disabled applicant meets the HUD criteria listed above. Such professionals could include licensed medical, psychological, or allied mental health and/or human services professionals. Whomever the owner/project sponsor selects to make the assessment must sign a certification form that either attests to or rejects each applicant’s need for services in accordance with said section.

Applicant eligibility will be made by the owner/project sponsor.

Applicant Referrals for Units with Disability Preference

All disabled applicant referrals will be made from the project’s site-specific waiting list maintained by either EOHLC or owner/project sponsor. The owner/project sponsor will send all applicant referrals written notification of their selection determination, with a copy to the RAA.

**20.24.7 Applicant Right to Appeal Denial of PBV Unit Based on Failure to Demonstrate Need for Services Offered**

Any applicant denied preference consideration for a project providing services must be offered the right to appeal the decision made by the owner/project sponsor. The owner/project sponsor must include in their PBV application to EOHLC the specific criteria they will use to assess an applicant’s need for services.

**20.24.8 Transfer Preference**

**MTW Policy**

The RAA may provide a PBV transfer preference for families who have verified educational opportunities or employment offers that are more than 25 miles from the family’s current PB unit and/or for over or under-housed families who are willing to move to another PB unit in another region within EOHLC’s jurisdiction. The PB transfer preference is subject to availability of another PB unit within a 25-mile radius of the educational opportunity or employment offer. The over-/under-housed PB transfer preference will be consistent with family composition and EOHLC occupancy standards.

### **20.24.9 Other Preferences**

EOHLC may establish other tenant selection preferences for its PBV projects, provided these preferences support EOHLC's mission. EOHLC will amend this PBV plan and announce any new preference(s) on EOHLC's website at [www.mass.gov/orgs/executive-office-of-housing-and-livable-communities](http://www.mass.gov/orgs/executive-office-of-housing-and-livable-communities).

## **20.25 SCREENING**

Applicants must be at or below 50% of AMI to be eligible for Section 8 PBV.

### RAA Responsibility

The RAA will not verify an applicant's Section 8 eligibility until after the owner has screened and selected the tenant(s).

When the RAA maintains the site-specific waitlist, the RAA will inform the owners of their responsibility to screen prospective tenants and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. The RAA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

### Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills
- Caring for a unit and premises
- Respecting the rights of other residents to the peaceful enjoyment of their housing
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others
- Compliance with other essential conditions of tenancy

When the owner selects from the list of referrals provided by the RAA in accordance with its approved written tenant selection plan, the owner may screen prospective applicants based in the order in which the applicant contacts the owner, comes to see the unit, and completes the owner's selection requirements.

When the owner selects from their own site-specific, owner-maintained wait list the owner must also screen prospective applicants based on their approved tenant selection plan/affirmative fair housing marketing plan. Once a satisfactory tenant has been identified, the owner must send the client information to the RAA for eligibility processing. Additionally, a record of the waitlist selection for the open unit also must be provided to the RAA for compliance tracking.

### **20.25.1 Applicant Right to Appeal an Owner Denial**

If an owner denies a unit to a referred applicant, the owner must send a written notice to the applicant clearly stating the reason(s) for denial. The owner must provide a copy of this denial letter to the RAA and must advise the applicant of any appeal rights to the owner. The applicant may request that the RAA review the owner's denial to verify compliance with the owner's approved written tenant selection plan. EOHLC's required Tenant Selection Plan addendum contains provisions as to review of an owner's denial.

### **20.25.2 Denial of Eligibility for PBV Applicant**

HCVP appeal procedures will be utilized and shall be the same as currently in effect as set forth in [CHAPTER 16](#) of this plan.

## **20.26 BRIEFING**

All applicants selected to occupy the PBV units must be briefed by the RAA on program benefits and responsibilities. The oral briefing must include a description of how the PBV program works and family and owner responsibilities as well as the family's right to move under voluntary Opt-Out. (see sections 5.2 and 5.3 for full briefing requirements)

## **20.27 UNIT OFFER**

### **Transfer of Existing Residents**

In filling vacant units, the Agent shall first offer current residents the option to relocate to another unit in the Development, provided such residents meet one of the following transfer conditions:

#### **Size of Family or Special Condition.**

- Residents are housed in over-crowded conditions and have requested a larger unit appropriate for their household size;
- Residents are housed in units providing a greater number of bedrooms than warranted for their household size (such transfers are not volitional, and refusal to relocate by the household shall result in termination from the subsidy program upon thirty days' notice);
- Residents who require the features of an accessible unit, or require the features of another unit as necessary to provide a reasonable accommodation, provided that verification of the need has been made by the Agent; and
- Residents who occupy, but do not need the features, of an accessible unit if another resident or applicant needs an accessible unit (such transfers are not volitional, and refusal to relocate by the household shall result in termination from the subsidy program upon thirty days' notice).

The Agent shall maintain a formal waiting list for current residents seeking to relocate to other units pursuant to these conditions. When a vacancy occurs, the Agent shall determine if a transfer is warranted from the internal waiting list before proceeding to the external waiting list to select an applicant for the vacant unit.

### **Filling of Vacancies**

In the event that there are no current Section 8 PBV residents of the Development to fill the vacant unit based on the above conditions, the Agent shall offer the vacant unit to the next qualified applicant for that unit type found on the waiting list.

## **20.28 UNIT REFUSAL**

If an applicant responds to the owner and states he/she is no longer interested in a PBV unit or turns down the offer of a PBV unit, the owner or RAA will remove the applicant from that waiting list. The applicant will retain their position on all other PBV and EOHLC waiting lists.

The owner may not remove a tenant from the PBV waiting list if the tenant had good cause for refusing the unit.

If an applicant refuses a PBV unit without good cause, removal from the owner's waiting list is subject to the owner's Tenant Selection Plan.

### **20.28.1 Good Cause Refusal of PBV Units**

Applicants/tenants may refuse to accept a unit offer for "good cause." If a good cause for refusal is verified by the RAA, applicants/tenants may retain their waiting list position.

There are two types of good cause:

- Situations in which an applicant/tenant is willing to move but is unable to do so at the time of the unit offer (e.g. the applicant/tenant is in the hospital or is serving on a sequestered jury).

- Situation in which the applicant/tenant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant’s race, color, national origin, etc.

Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

- Inaccessibility to source of employment, education, or job training, children’s day care, or educational program for children with disabilities, such that accepting the unit offer would require the adult family member to quit a job, drop out of an educational institution or job training program, or take a child out of day care or an educational program for children with disabilities.
- The family demonstrates to the RAA’s satisfaction that accepting the offer will place a family member’s life, health, or safety in jeopardy. The family should offer specific and compelling documentation consistent with [Survivor Documentation](#). Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.
- A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on the final application or lease) or live-in aide necessary to the care of the principal household member.
- The unit is inappropriate for the applicant’s/tenant’s disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.
- The RAA will require documentation of good cause for unit refusals and will verify all claims of good cause. Good cause refusal policies may also be applied to unit offers related to applicable transfers.

## 20.29 FILLING ACCESSIBLE UNITS

The owner/project sponsor must make every effort to refer eligible households that would benefit from the unit’s accessibility features to the site-specific waiting list before EOHLC will permit the RAA to lease such a unit to a non-disabled applicant (see also [Inappropriately Housed in an Accessible Unit](#)). Owners must list accessible units with the MassAccess Housing Registry.

## 20.30 LEASING

After an applicant has been selected from the waiting list, determined suitable by the owner and then found eligible by the RAA, the family will sign the lease and occupancy of the unit will begin.

### 20.30.1 Lease

The tenant must have legal capacity to enter a lease under state and local law. Legal capacity means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

### 20.30.2 Form of Lease

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum will include, word-for-word, all provisions required by HUD; however, EOHLC may develop its own local version of the PBV tenancy addendum for consistency with its MTW policies.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a EOHLC’s HCV model lease.

The RAA will not review the owner’s lease for compliance with state or local law.

### 20.30.3 Lease Requirements

The lease for a PBV unit will specify all of the following information:

- The names of the owner and the tenant

- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit)
- The term of the lease (initial term and any provision for renewal)
- The lease date must match the move in date
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements
- A specification of the services, maintenance, equipment, and utilities that will be provided by the owner
- The amount of any charges for food, furniture, or supportive services
- Notice if the project is located in a flood plain

#### **20.30.4 Tenancy Addendum**

The tenancy addendum in the lease will state:

- The program tenancy requirements
- The composition of the household as approved by the RAA (the names of family members and any PHA-approved live-in aide).
- All provisions in the HUD-required tenancy addendum or MTW Tenancy Addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

#### **20.30.5 Initial Term and Lease Renewal**

The initial lease term must be for at least one year. The lease must provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g. month-to-month or year-to-year) or an automatic indefinite extension of the lease term. For automatic indefinite extension of the lease term, the lease terminates if any of the following occur:

- The owner terminates the lease for good cause
- The tenant terminates the lease
- The owner and tenant agree to terminate the lease
- The RAA terminates the HAP contract
- The RAA terminates assistance for the family

#### **20.30.6 Changes in the Lease**

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the RAA a copy of all changes.

The owner must notify the RAA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the RAA and in accordance with the terms of the lease relating to its amendment.

The RAA will redetermine reasonable rent based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

#### **20.30.7 Security Deposits**

The owner may collect a security deposit from the tenant; however, owners are prohibited from collecting security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants (see [M.G.L. c. 186, § 15B](#)).

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The RAA has no liability or responsibility for payment of any amount owed by the family to the owner.

### **20.30.8 Owner Termination of Tenancy**

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see [Termination of Tenancy by the Owner](#)). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

### **20.30.9 Tenant Absence from the Unit**

The lease may specify a maximum period of family absence from the unit that may be shorter than the maximum period permitted by EOHLC policy. The family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days. EOHLC termination of assistance actions due to family absence from the unit are subject to 24 CFR 982.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted.

### **20.30.10 Tenants with Zero HAP**

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify the RAA of the change and request an interim reexamination before the expiration of the 180-day period.

## **20.31 UNDER-HOUSED, OVER-HOUSED, AND ACCESSIBLE UNITS**

If the RAA offers the family a tenant-based voucher, the RAA will terminate the housing assistance payments for a wrong-sized or accessible unit at the earlier of the expiration of the term of the family’s voucher (including any extension granted) or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family’s voucher, The RAA will remove the unit from the HAP contract.

If the RAA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the RAA, the RAA will terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by EOHLC or the RAA and remove the unit from the HAP contract.

### **20.31.1.1 Under-Housed**

Should a change in family size or composition cause a family to become under-housed to the point of causing the unit to be non-compliant with HQS space requirements and there is either an available appropriately sized PBV unit or a tenant-based voucher available for the family, the family must relocate, at their expense, with assistance or be terminated from the program. If there is no voucher available to issue to the family or an available comparable PBV unit to which the family may relocate, the family will remain in place without penalty to the owner until the family can relocate with assistance.

### **20.31.1.2 Over-Housed**

If a family becomes over-housed due to a change of family size or composition after the first year of tenancy, the family must relocate at their expense to a smaller PBV unit or accept a voucher to relocate. If there is no appropriately sized comparable PBV unit or voucher available for the family, the family may remain in place with no reduction in the contract rent until such time as there is either a voucher or unit available. If the family has failed to move with assistance within two months to a suitably sized PBV unit or moved within the voucher term limit (and any approved extensions) the family must be terminated from the program. If the project is partially assisted, the owner may request to substitute another comparable unit for the one that is ineligibly occupied.

### **20.31.1.3 Reasonable Time to Relocate if Over-/Under-Housed**

If a suitably sized comparable PBV unit is located in the same or nearby building the tenant will have two months to relocate at the tenant's expense.

If no suitably sized comparable PBV unit is available, the tenant will be issued a voucher and have the maximum time permitted on the voucher to relocate, including any extensions granted for reasonable accommodation or mitigating circumstances.

### **20.31.1.4 Inappropriately Housed in an Accessible Unit**

The RAA will utilize a lease addendum that requires an inappropriately housed family to move from an accessible unit when a family that needs the accessibility features is identified for the unit.

In order to minimize loss of income to a project, an accessible unit may be leased to a family that does not require the unit's special features under the following circumstances:

- It has been vacant for at least 45 days
- Both the RAA and the owner/project sponsor have exhausted their respective outreach sources to identify a family that would benefit from the unit's accessible features.

Because such a family is inappropriately housed, they will be required to sign a lease addendum prior to initial occupancy agreeing to move from the unit. If there is a suitable PBV unit available within the project, the inappropriately housed family must be offered the opportunity to move to that unit. If there is no PBV unit available, the RAA will issue an available tenant-based voucher to the family.

#### Reasonable Time to Relocate from an Accessible Unit if Accessible Features are not Required by Tenant

- If there is a suitable PBV unit within the same or nearby building, the family must relocate within 45 days. The RAA will be authorized to pay for this move from its administrative fee and EOHLC will reimburse the RAA for this expenditure.
- See section above on reasonable time to relocate if over/under-housed or relocation requirement when a tenant-based voucher is issued. EOHLC will be authorized to pay for this move from its administrative fee and EOHLC will reimburse the RAA for this expenditure.
- If the family fails to relocate with assistance either to an appropriate PBV unit or within the voucher term limit (and any approved extensions), the family must be terminated from the program.
- If there is no unit or voucher available, the family will remain in the accessible unit without penalty until such time as one or the other becomes available to the family.

### **20.31.1.5 Adding a Family Member**

If a request from the family to add another member that is not by birth, adoption, or court order would cause the family to breach HQS space requirements, such request must be denied by the owner and the RAA. If such family has been in good standing for at least one year at the time of the request to add a member, then the request may be approved if the RAA has a tenant-based voucher to issue to the family or there is an available PBV unit of appropriate size for the new family composition in the building.

## 20.32 FAMILY RIGHT TO MOVE (OPT-OUT) WITH TENANT-BASED ASSISTANCE

### MTW Policy

At the end of the second full year of assisted tenancy in a PBV unit, a participant in good standing may request a tenant-based HCV in order to move to a unit of their choice with continued assistance. This is referred to as a voluntary opt-out. (See [Right to Move From VASH Project-Based Unit With Tenant-Based Assistance](#) for opt-out provisions related to VASH participants.)

Each calendar year, the number of vouchers that will be available to issue to voluntary opt-outs will be limited to a percentage of the RAA's non-targeted MTW program turnover. Turnover of targeted MTW program vouchers shall not be included when calculating the number of vouchers available for opt outs.

The number of vouchers that will be available to voluntary opt-outs is calculated as follows:

- Determine the size of the RAA's non-targeted MTW voucher portfolio on December 31 of the prior calendar year.
- Determine the number of the RAA's PBV units on December 31 of the prior calendar year and calculate the number of PBV units as a percentage of the non-targeted MTW voucher portfolio.
- Determine the number of the RAA's non-targeted MTW program turnover on December 31 of the prior calendar year.

Turnover is defined as either:

- 1) End of program participation, or
- 2) A portability voucher that is absorbed by the receiving agency.

Participant transfers between the RAAs shall not be counted as turnover.

- Multiply the number of non-targeted MTW program turnover units by the percentage calculated above (number of PBV units as a percentage of the non-targeted MTW voucher portfolio).

#### For Example:

A RAA administers 2,000 non-targeted MTW vouchers and 200 PBVs.  $200/2,000 = .1 = 10\%$   
The RAA had approx. 135 non-targeted MTW vouchers turnover in the prior calendar year.  
This RAA will have 14 tenant-based vouchers available to issue to PBV voluntary opt-outs.  $135 \times 10\% = 13.5$  rounded to 14.

All PBV families that wish to move must submit a written request to opt out. A RAA may not accept a written request to opt out prior to the participant's two-year anniversary date. If the participant family is in good standing when their request is submitted the RAA will date and time stamp the request and place the participant on the standard voucher wait list with a voluntary opt-out preference for the region that administers the project-based assistance. Subject to the annual cap, opt-out families will be given a voucher in accordance with the selection from the waiting list hierarchy outlined in this plan.

Upon RAA approval for a tenant-based voucher, the participant must give the owner advance written notice of intent to vacate with a copy to the RAA in accordance with the lease

These new guidelines will not apply to the following PBV households:

- Households that are over or under-housed.
- Households that are survivors of domestic violence pursuant to the VAWA policy.
- Households that require a tenant-based voucher to address an approved reasonable accommodation request.
- Non-disabled households that occupy an accessible unit and that have been requested to move to allow a disabled household to move into the accessible unit.
- Households that can document the need to move in order to obtain or maintain employment.

- Households that can document that a household member has been accepted into a higher education institution and can document the need to move in order to attend the institution.

PBV households who meet one or more of these criteria are considered non-voluntary opt-outs and will not have to wait until the end of the second year of assisted tenancy in a PBV unit to receive a tenant-based voucher. Non-voluntary opt-outs receive priority over voluntary opt-outs and are not counted towards the annual cap.

PBV households who wish to opt out will be selected from the standard waiting list according to their PB preference and then by date and time of application. Project-based preferences are as follows:

Project-Based Preference	Ranking
Forced Opt-Out	1
Under-housed	2
Over-housed	3
Voluntary Opt-Out	4

For example, if a PB household applies for a voluntarily opt-out on April 1, 2017, and another PB household is over-housed with a date of July 1, 2017, then the over-housed PB family will receive the tenant-based voucher first since the over-housed family has a higher preference ranking. PB Voluntary Opt-Out households may have to remain on the waiting list if the annual cap has already been met. Additionally, if there is insufficient funding and additional vouchers cannot be issued, the voluntary opt-out households may have to remain on the waiting list even if the annual cap has not been met.

**Term of Opt-Out Voucher**

PBV participants that request an opt-out tenant-based voucher to relocate will be issued an available voucher for a 60-day term. If the family has not located a program eligible unit to which it can relocate with assistance at expiration of the voucher term, it must wait until its next annual lease anniversary before again becoming eligible to request a tenant-based voucher, unless the tenant and owner/project sponsor agree to mutually terminate the lease prior to the next anniversary date and the RAA has an available voucher and budget authority. Because of the time involved in filling PBV units and the need for an owner to have some control over vacancy loss, the opt-out voucher will not be extended beyond 60 days except for reasonable accommodation or mitigating circumstances acceptable to the RAA.

**20.33 EMERGENCY TRANSFERS UNDER VAWA**

Where a tenant in a project-based unit is the survivor of domestic violence, dating violence, sexual assault, or stalking, the RAA will provide several options for continued assistance.

- The RAA will first try to transfer the participant to another PBV unit in the same development or transfer to a different development where EOHLC has PBV units. The RAA will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.
- If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the survivor in jeopardy, the participant may receive continued assistance with a tenant-based voucher. Such a decision will be made by the RAA based on the availability of tenant-based vouchers and the submission of documentation as per [Survivor Documentation](#). Such families will be placed on the wait list and selected as a forced opt-out according to [Project-Based Opt-Outs](#).
- If a survivor wishes to move, but no tenant-based vouchers are available, the RAA will offer the participant an internal transfer to another PBV unit in the same development or a transfer to a

different development where EOHLC has PBV units. The RAA will then place the survivor on the wait list as a project-based forced opt-out so that when a tenant-based voucher becomes available, the survivor will be issued a voucher without further delay. The RAA will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

## 20.34 RENT TO OWNER

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into a HAP contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a 10% or greater decrease in the published FMR.

### 20.34.1 Initial Rent

When determining the initial rent to owner, the RAA will use the most recently published Large Area FMR in effect and the utility allowance schedule in effect at execution of the HAP contract.

The RAA will apply any HUD-approved exception payment standard amount under the tenant-based voucher program to the project-based voucher program.

With the exception of rents for units with other subsidy discussed in

[Rents for Units with Other Subsidy](#), at the initial HAP contract the maximum gross rent will be set at the lesser of:

- The designated percentage of the applicable FMR or the HUD-approved exception rent
- The reasonable rent
- The owner-requested rent

#### MTW Policy

The initial rent to owner will not exceed the lowest of the following:

- 110% of large area FMR
- The reasonable rent.
- The rent requested by the owner.

### 20.34.2 Rent in Low Income Housing Tax Credit (LIHTC) Units

For certain tax credit units, the rent limits are determined differently than for other PBV units. Different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986.
- The contract unit is not located in a qualified census tract.
- There are comparable tax credit units of the same bedroom size as the contract unit in the same project, and the comparable tax credit units do not have any form of rental assistance other than the tax credit.
- The tax credit rent exceeds 110% of the fair market rent or any approved exception payment standard.

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance
- The reasonable rent
- The rent requested by the owner

#### Definitions

A qualified census tract (QCT) is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of households have an income of less than 60% of Area Median Gross Income (AMGI), or where the poverty rate is at least 25% and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the project that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Inside a QCT, LIHTC units are “assisted” units for purposes of rent comparability and may not be used for rent reasonableness. Outside a QCT, LIHTC units with rents that exceed the payment standard and have no other rental assistance are not considered assisted and may be used for rent reasonableness.

#### **20.34.3 Rents for Units with Other Subsidy**

To comply with subsidy layering requirements, at the discretion of HUD or EOHLC, the RAA shall reduce the rent to owner because of other governmental subsidies, including tax credits or tax exemptions, grants, or other subsidized funding.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action
- A Section 221(d)(3) below market interest rate (BMIR) project
- A Section 515 project of the Rural Housing Service
- Any other type of federally subsidized project specified by HUD

#### **20.34.4 Rents in HOME Units**

High HOME household rents are limited by the high HOME rent formula established by HUD. Rents for Low HOME-eligible households can be established up to the maximum PBV. The rent must still be determined rent reasonable for similar unassisted units in the same or nearby building.

At initial occupancy, all PBV/HOME units must be occupied by Low HOME households having incomes at or below 50% of AMI; the project is permitted to collect whatever rent the PBV program will permit. If the initial PBV/HOME household income increases to between 51% and 80% of AMI, the unit can no longer be considered a Low HOME unit and the project is ineligible to collect rent above the HOME program limits. Projects often can correct HOME/PBV confusion by using another eligible unit as the required HOME unit. EOHLC HOME staff is available for guidance and clarification.

#### **20.34.5 Rent Reasonableness**

The RAA must perform a rent reasonableness test on all contracted units both at initial HAP and under the following circumstances:

- Whenever the owners request a rent adjustment.

- Whenever the RAA approves a change in the allocation of responsibility for utilities between the owner and the tenant.
- Whenever the HAP contract is amended to substitute a different contract unit in the same building or project.
- Whenever there is any other change that may substantially affect the reasonable rent.
- Whenever there is a 10% or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR in effect one year before the contract anniversary.
- At any other time EOHLC or the RAA deems it necessary.

The contract rent may be adjusted up or down as indicated by the results of the rent reasonableness test. This requirement means that there may be occasions when a PBV rent must be reduced because of verified decreases in rent levels for comparable unassisted units in the PBV community.

Where applicable and when noted in the HAP contract, the RAA will not reduce rents below the initial rent to owner except:

- To correct errors in calculations in accordance with HUD requirements.
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR 983.55.
- If a decrease in rent to owner is required based on changes in the allocation of responsibility for utilities between the owner and the tenant.

Where the HAP contract does not provide that any redetermined rent will not be reduced below the initial contract rent of the initial contract, the RAA will terminate the existing contract for any unit where the landlord does not agree to a reasonable rent.

## 20.35 REDETERMINATION OF RENT

[24 CFR 983.302]

Each year, at the HAP contract anniversary date, the owner may be granted an opportunity for a rent adjustment.

When redetermining the rent to owner, the RAA will use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination.

Except for certain tax credit units, the rent to owner must not exceed the lowest of:

- An amount determined by the RAA, not to exceed the current designated percentage of the applicable fair market rent (or any exception payment standard approved by the Secretary) for the unit bedroom size minus any utility allowance.
- The reasonable rent.
- The rent requested by the owner.

### MTW Policy

The redetermined rent to owner will not exceed the lowest of the following:

- 110% of large area FMR
- The reasonable rent.
- The rent requested by the owner.

The owner must request an increase in writing at least 60 days prior to the HAP contract anniversary date. If the request is made less than 60 days prior to the HAP anniversary date, it may delay the effective date of the approved rent adjustment. Adjustments may not be applied retroactively. Requests received after the HAP anniversary date will not be considered until the next HAP anniversary date.

### **20.35.1 Rent Decreases**

Rent decreases go into effect either at the anniversary date of the HAP (if the owner requested a rent redetermination and rent needs to be lowered) or on the first of the month following a redetermination for reasons stated in [Rent Reasonableness](#).

### **20.35.2 Notice of Rent Change**

The rent to owner is redetermined by written notice from the RAA to the owner specifying the amount of the redetermined rent. The RAA's notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner generally applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

## **20.36 RENT TO OWNER IN EOHLC-OWNED UNITS**

For EOHLC-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. The RAA will use the rent to owner established by the independent entity.

## **20.37 REQUEST TO USE A BUILDING-SPECIFIC OR LOCAL HOUSING AUTHORITY UTILITY ALLOWANCE**

At the request of the owner, the RAA may agree to allow a building-specific or the local housing authority utility allowance to be used in the project.

## **20.38 PAYMENT TO OWNER**

### **20.38.1 Vacancy Payments**

[24 CFR 983.352]

The RAA will decide on a case-by-case basis if they will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

EOHLC will permit a maximum vacancy payment up to 60 days excluding a payment for units that are vacant at the time of the initial HAP.

Where vacancy payments apply, the following requirements must be satisfied in order for a vacancy payment to be made:

- Prompt notification of vacancy to the RAA  
The owner must promptly notify the RAA of any pending vacancy immediately upon receiving notice from a tenant of intent to vacate the unit. In the event of a vacancy that occurs without notice to the owner, the owner must notify the RAA immediately upon learning of the vacancy not later than the first missed rent payment by the tenant family. The owner may keep the HAP payable for the month when the family moves out (move-out month) provided the vacancy is not the owner's fault.
- Continued compliance with HQS and all other program requirements  
The owner has taken all steps necessary to prevent vacancy loss from occurring including keeping the unit compliant with HQS.

- Requirements for owner’s written request for vacancy payment
 

Requests for vacancy payments must be in writing to the RAA and must be made during the first month of a new lease-up or in the 30 days subsequent to the 60-day vacancy period, whichever comes first. Payment may only be made when the vacancy period has elapsed. The owner’s written request must include the following information:

  - A statement that the family has vacated and the date the family moved out, to the best of the owner’s knowledge.
  - The owner certification that the vacancy was not the fault of the owner, and that the unit was vacant during the period for which payment is claimed.
  - A certification that the owner took all reasonable action to minimize the likelihood and length of the vacancy.
  - Any other additional information that the RAA determines appropriate to verify that the owner is entitled to the payment.
  
- Vacancy payment amount
 

The payment for each month of the maximum two-month period will be determined by the RAA. This amount cannot exceed the monthly rent to the owner under the assisted lease minus any portion of the rental payment received by the owner, including amounts available from the tenant’s security deposit.
  
- Prompt request for applicant referrals to fill vacant unit
 

If referrals are not promptly requested by the owner or applicants screened promptly upon responding to a referral, the owner will not be eligible to receive a vacancy payment.
  
- Frequency of vacancies and relationship to HAP extensions
 

The RAA will consider the frequency and nature of vacancy requests when deciding whether or not to renew an expiring PBV HAP contract.

### **20.39 TENANT RENT TO OWNER**

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the RAA in accordance with HUD and MTW policies. Any changes in the amount of tenant rent will be effective on the date stated in the rent notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the RAA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the RAA. The owner must immediately return any excess payment to the tenant.

### **20.40 TENANT AND EOHLC RESPONSIBILITIES**

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the RAA.

Likewise, the RAA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The RAA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit.

### **20.41 UTILITY REIMBURSEMENTS**

See [Utility Reimbursement](#) policies which also apply to the PBV program.

### **20.42 OTHER FEES AND CHARGES**

### **20.42.1 Meals and Supportive Services**

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

### **20.42.2 Other Charges by Owner**

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

## **20.43 RENTAL ASSISTANCE DEMONSTRATION PROGRAM (RAD) & PBV**

### **MTW Policy**

Consistent with the RAD PIH Notices, EOHLC may apply MTW flexibilities to units converted to PBV under the Rental Assistance Demonstration to the extent that said flexibilities are not in conflict with RAD provisions specified in HUD's Notice(s).

In FY 2015, EOHLC modified the income eligibility requirements for tenants who occupy units at the time of a RAD conversion to the PBV program. For only those existing tenants, annual income must not exceed the moderate-income limit for the area, which is 80% of AMI, except for elderly and disabled households whose incomes may not exceed 95% of AMI.

- EOHLC may revise standards for acceptable income verification documents for clients at the time of conversion. Specifically, when completing initial certifications at the time of a RAD or Expiring Use conversion, EOHLC may waive the HUD requirement regarding the age of documents at the time of effective date. Authorized in Attachment C Section D of EOHLC's MTW Agreement.
- Notwithstanding proposed changes to PBV regulations, EOHLC will continue to define "existing housing" as "Housing units that already exist on the proposal selection date and that substantially comply with the HQS on that date." Authorized in Attachment C Section D of EOHLC's MTW Agreement.
- EOHLC may institute other changes, on a case-by-case basis, as long as such changes are consistent with the MTW authorizations.

## **20.44 EXPIRING USE PRESERVATION INITIATIVE**

### **MTW Policy**

This initiative is designed to preserve the long-term affordability of expiring use properties by making use of the resources provided by HUD in the form of Enhanced and Tenant Protection Vouchers to continue the affordability of the units in these projects by converting eligible units immediately to project-based units with a 15-year affordability period.

EOHLC may consider the following criteria when determining eligibility of projects for conversion (except where prohibited for certain projects by PIH Notice 2012-32):

- Located in neighborhoods which offer economic and educational opportunities and relatively low concentrations of poverty.
- The cost per unit will ensure long-term viability for both EOHLC and the project.
- The cost per unit will generally fall within EOHLC's then current PBV MTW voucher per unit cost.

- There is substantial community and tenant support for units to be converted to project-based units as documented by the Project Developers.
- The Project Developer must request from HUD that EOHLC be the Administrator of the Enhanced Vouchers resulting from the conversion action.
- EOHLC will make a determination on the level of resident interest prior to pursuing administration of the Enhanced and PB vouchers.
- The Project Developer agrees to participate in and support MTW-related self-sufficiency activities for the tenants of the project. The type and extent of support provided will be determined by site. For example, a project may provide case management services to its MTW residents.

EOHLC may modify the selection criteria listed above at its discretion, and may place limitations on the number, types and/or characteristics of units to be supported under this initiative. As part of the conversion process, EOHLC will provide residents, who are eligible to receive a voucher, with the option to receive an Enhanced Voucher or to have their unit converted to project-based assistance. As part of the determination process, EOHLC will provide detailed information to residents so that an informed choice can be made.

Pursuant to HUD’s 2012 updated guidance on the use of special purpose vouchers, EOHLC may apply MTW operating flexibilities to Enhanced Vouchers upon issuance, provided that these flexibilities do not infringe on the protections applied to Enhanced Voucher households pursuant to HUD regulations and notices. Operating flexibilities that may be applied to Enhanced Vouchers include, but are not limited to, biennial reexaminations, biennial inspections, rent simplification (provided that it does not infringe on EV protections), and utility allowances. Until the Enhanced Voucher household either moves from the unit or is terminated from the program, they will continue to be subject to the Enhanced Voucher minimum rent policies, including the applicable provisions related to income decreases.

Enhanced Voucher income limits and payment standards will also continue to apply to these households. EOHLC does not apply term limits to any of its Housing Choice Voucher participants.

For existing tenants on the conversion date who elect to receive a project-based voucher and who are considered over-housed, EOHLC may waive the subsidy standard policy, provided that there must be at least one household member for each bedroom in the apartment. In addition, tenants may request a reasonable accommodation if applicable. The only Enhanced Voucher provision which applies to tenants selecting the project-based option is the initial income eligibility requirement.

EOHLC’s other MTW PBV policies apply upon the conversion action, except for the following:

- Tenants who live in the development at the time of the conversion action and who select a PBV will be permitted to move after the first year of assisted tenancy following the conversion action. They will be added to the waiting list for a tenant-based voucher in accordance with the Administrative Plan.
- Tenants who live in the development at the time of the conversion action and who select a PBV will not be subject to the limit on voluntary interim rent decreases.
- EOHLC may waive the limitation on the number of units per project generally applied to PBV developments and allow up to 100% of units in all types of developments to be project-based.

Notwithstanding proposed changes to PBV regulations, EOHLC will continue to define “existing housing” as “housing units that already exist on the proposal selection date and that substantially comply with the HQS on that date.”

EOHLC may institute other changes, on a case-by-case basis, as long as such changes are consistent with the MTW authorizations granted herein.

### **20.44.1 Expiring Use Preservation Activity and RAD**

#### **MTW Policy**

Consistent with PIH Notice 2012-32, EOHLC may apply MTW flexibilities to units converted to PBV under the Rental Assistance Demonstration to the extent that said flexibilities are not in conflict with RAD provisions specified in HUD's Notice(s).

EOHLC may revise standards for acceptable income verification documents for clients at the time of conversion. Specifically, when completing initial certifications at the time of a RAD or Expiring Use conversion, EOHLC may waive the HUD requirement regarding the age of documents at the time of effective date.

In FY 2015, EOHLC modified the income eligibility requirements for tenants who occupy units at the time of a RAD conversion to the PBV program. For only those existing tenants, annual income must not exceed the moderate-income limit for the area, which is 80% of AMI, except for elderly and disabled households whose incomes may not exceed 95% of AMI.

### **20.45 PROJECT-BASING VASH VOUCHERS**

EOHLC is authorized to project-base its tenant-based VASH vouchers without additional HUD review or approval in accordance with Notice PIH 2017-21 and all PBV program requirements, provided that the VAMC will continue to make supportive services available. If EOHLC project-bases VASH vouchers, EOHLC will consult with the partnering VAMC or DSP to ensure approval of the project or projects.

Additionally, as permitted under the Revised VASH Implementation Notice (FY-6476-N-01), EOHLC may select one or more PBV projects with units made exclusively available to VASH families on the site of a VA facility without a competitive process.

EOHLC may project-base VASH vouchers in projects alongside other PBV units and may execute a single HAP contract covering both the VASH PBVs and the other PBVs. EOHLC will refer only VASH families to PBV units exclusively made available to VASH families and to PBV units funded through a HUD set-aside award.

# CHAPTER 21 : ENHANCED VOUCHERS

## 21.1 OVERVIEW OF ENHANCED VOUCHERS

Enhanced Vouchers are authorized under Section 8(t) of the U.S. Housing Act of 1937. Enhanced Vouchers are normally not provided in the case of HUD enforcement actions against an owner resulting in the termination of a Section 8 contract. In such cases, regular voucher assistance is usually applicable, particularly if the unit would not meet housing quality standards.

Enhanced Vouchers are replacement vouchers (i.e., a replacement for the previous HUD subsidy) and so do not come out of a housing authority's regular pool of HCVs but rather from HUD. HUD provides the vouchers to the housing authority on a one-for-one replacement basis to make up for the loss of affordable housing units in the community, subject to the availability of appropriations. A voucher is considered "enhanced" only as long as the tenant who received the voucher remains in the project that was subject to the Housing Conversion Action.

If there are any vouchers remaining after the RAA assists the eligible tenants of the project, the RAA may use the vouchers to assist households on the RAA regular HCV waiting list. In such a case, the voucher would be treated as a regular voucher without any enhanced features.

## 21.2 INDIVIDUALS COVERED BY ENHANCED VOUCHER PROVISIONS

A person residing in the RAA's jurisdiction is eligible for an Enhanced Voucher if, on the effective date of the Housing Conversion Action:

- The resident meets the income requirements.
- Any rent increase under the Enhanced Voucher Program is in accordance with the lease agreement and program regulations.
- The family decides to stay in the unit located in the property that was subject to the Housing Conversion Action instead of moving.

Prior to the RAA approving a family to lease a dwelling unit with Enhanced Voucher assistance, the following conditions must be met:

- The unit must be eligible.
- The unit must pass HQS.
- The lease must include the applicable tenancy addendum.
- The rent to the owner must be reasonable.

## 21.3 PROVISIONS OF ENHANCED VOUCHERS

The following requirements apply to Enhanced Voucher assistance. Unless otherwise described in this chapter, or in the PBV chapter (preservation and RAD conversions) standard HCV requirements generally apply to Enhanced Vouchers.

- Enhanced Vouchers issued to a family as a result of housing conversion actions are always tenant-based assistance. Households may move outside of EOHLC's jurisdiction under the portability provisions of the voucher program. However, if a family does not remain in the property that was subject to the Housing Conversion Action, the voucher will not be considered "enhanced" and will instead be governed by MTW HCV program policies.
- A higher "enhanced" payment standard will be used to determine the amount of subsidy in cases where the gross rent of the unit (rent to owner plus the utility allowance for any tenant-supplied utilities) exceeds the normally applicable RAA payment standard. In such instances, the gross rent for the unit is used in the subsidy calculation instead of the normally applicable payment

standard. This means that the tenant will not have to pay out of pocket if the gross rent is greater than the payment standard, as would be the case with a regular HCV. The enhanced payment standard policy will be applicable to the Enhanced Voucher so long as the tenant remains in the unit that was subject to the Housing Conversion Action.

- Notwithstanding the preceding paragraph regarding the enhanced payment standard, the RAA will not approve a unit leased with an Enhanced Voucher until a determination is made that the initial rent to the owner is a reasonable rent. If the RAA determines that the proposed rent is not reasonable, the landlord will have to lower the rent or the family will have to find another unit in order to benefit from the Enhanced Voucher subsidy.
- The RAA maintains its authority to screen potentially eligible households or deny assistance for any grounds described in this Administrative Plan. The RAA will maintain the same screening and admissions policies for households assisted with Enhanced Vouchers as it does for regular admissions of households from EOHLC's waiting list; except where superseded by an MTW policy.
- The RAA will provide a family the opportunity for an informal review if it denies the family admission to the voucher program in accordance with the HCV regulations.
- The RAA will conduct its own income determination and verification for households assisted with Enhanced Vouchers. At its discretion, the RAA may use the owner's most recent family income examination if the owner's current certification for the tenant is no more than six months old.
- The owner of the property is required to continue to allow the tenant holding the Enhanced Voucher to live at the property after the conversion action, as long as the units are used for rental housing and are otherwise eligible for HCV assistance in accordance with the requirements of this chapter and the Administrative Plan. The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause.
- The RAA will issue Enhanced Vouchers according to established EOHLC subsidy standards, not the actual size of the unit the family is currently occupying. If the bedroom size of the tenant's unit exceeds the number of bedrooms for which the tenant qualifies under EOHLC subsidy standards, the tenant is considered to be over-housed.
- If a family chooses to move from the project at any time, EOHLC MTW HCV tenant-based program rules apply to the subsidy calculation for the new unit; the voucher will no longer be considered as "enhanced."
- The RAA will provide households with search time that is reasonably required to locate housing and will grant exceptions and extensions on a case-by-case basis.
- The RAA will use the same rent reasonable standards regardless of whether the vouchers are standard HCV vouchers or enhanced.
- The RAA will not approve any temporary or short-term leases between the owner and family. The initial lease term will be for one year unless the RAA determines that a shorter term would improve housing opportunities for the tenant and such shorter term is the prevailing local market practice.
- All units leased with Enhanced Vouchers must meet the HQS standards of the tenant-based HCV Program regardless of whether the family is residing in a unit that was previously assisted under a Section 8 unit-based contract. The RAA will not issue any Housing Assistance Payments for any period of time prior to the date that the unit is inspected and meets HQS.
- The RAA will execute the HAP contract within 60 calendar days after the beginning of the lease term.
- If a family chooses to stay in a unit where a property has undergone a conversion action, the lease term will not be effective prior to the target date of the Housing Conversion Action. The RAA may

approve a tenancy that begins before the target date of the conversion action for a family that is moving from the property.

- The RAA will maintain records of eligibility determinations for households who are income eligible for an Enhanced Voucher, but there is no HAP payment because the family's Total Tenant Payment equals or is greater than the gross rent.
- When a family moves from a project the voucher will become a regular tenant-based voucher, thus the voucher will no longer be enhanced. At that time, the RAA will apply the normally applicable payment standards in determining the family's Housing Assistance Payment.

## **21.4 OVER-HOUSED FAMILIES WITH ENHANCED VOUCHERS**

When the RAA determines the family is over-housed, the RAA will inform the family and explain the requirements for over-housed families. If the family indicates it wishes to remain at the project with enhanced voucher assistance, the RAA will inform the owner of the project that the family is in an over-sized unit. The RAA will also provide the owner with the bedroom size for which the family actually qualifies under EOHLC's subsidy standards (i.e., the appropriate size unit). The owner must then identify all appropriate size units that are available in the project. An "appropriate size unit" also includes an available bedroom size unit that is smaller than the family's current unit but is not smaller than the appropriate size unit for which the family qualifies under EOHLC's subsidy standards.

The over-housed family must move to an appropriate size unit in the project if one is available in order to receive enhanced voucher assistance. The family and owner will enter into a lease and the RAA will execute a voucher housing assistance payments (HAP) contract on behalf of the family for the appropriate size unit to which the family moves. The enhanced voucher housing assistance payment calculation is based on the gross rent of the appropriate size unit.

If an over-housed enhanced voucher family refuses to move to the appropriate size unit, and one exists and is available for occupancy, the RAA will calculate the family's housing assistance payment for the over-sized unit based on the normally applicable voucher subsidy formula using the applicable payment standard established by EOHLC for the voucher program. The family will be responsible for any amount of the gross rent not covered by the housing assistance payment.

If an appropriate size unit is not available, but a unit with fewer bedrooms sufficient for the family is available, the family must move to the smaller unit within a reasonable time. EOHLC defines "reasonable time" to be 30 days.

If there are no appropriate size units, the family may remain in their over-sized unit and the value of their EV will be based on rent of the over-sized unit. Once an appropriate size unit becomes available, the family must move to it, again within a reasonable time not to exceed 30 days.

## **21.5 ENHANCED VOUCHER MINIMUM RENT**

The RAA will calculate the enhanced voucher minimum rent for each eligible family. A family receiving enhanced voucher assistance must pay no less for rent than the family was paying for rent on the date of the eligibility event (the enhanced voucher minimum rent). In accordance with enhanced voucher rules, the family must pay at least this amount for the family share for as long as the family remains in the property with voucher assistance, unless the family suffers a significant decrease in income.

If the enhanced voucher family's rent suffers a significant decrease in income (a decrease of at least 15% from the family income on the date of the eligibility event, the enhanced voucher minimum rent changes from the dollar amount the family was paying for rent to the percentage of income the family was paying for rent at the time of the eligibility event.

Specifically, for families who were previously unassisted on the date of the eligibility event, the family's revised enhanced voucher minimum rent is the greater of:

- The percentage of the monthly adjusted income the family paid for gross rent on the effective date of the eligibility event.
- 30% of the family's current adjusted monthly income.

For families who were previously assisted under a project-based or tenant-based contract on the date of the eligibility event, the family's revised enhanced voucher minimum rent is the greater of:

- The percentage of adjusted monthly income the family Total Tenant Payment (TTP) or the voucher family share on the effective date of the eligibility event.
- 30% of the family's current adjusted monthly income.

After the enhanced voucher minimum rent for the family is changed from the dollar amount to the percentage of income calculation, the enhanced voucher minimum rent will normally continue to remain that specific percentage of adjusted monthly income so long as the family receives enhanced voucher assistance.

## 21.6 CONVERSION OF ENHANCED VOUCHERS TO MTW VOUCHERS

### **MTW Policy**

EOHLC may apply MTW operating flexibilities to Enhanced Vouchers upon issuance, provided that these flexibilities do not infringe on the protections applied to Enhanced Voucher households pursuant to HUD regulations and notices. Operating flexibilities that may be applied to Enhanced Vouchers include, but are not limited to, biennial or triennial reexaminations, biennial inspections, rent simplification (provided that it does not infringe on EV protections), and utility allowances. Until the Enhanced Voucher household either moves from the unit or is terminated from the program, they will continue to be subject to the Enhanced Voucher minimum rent policies, including the applicable provisions related to income decreases. Enhanced Voucher income limits and payment standards will also continue to apply to these households.

# CHAPTER 22 : FAMILY SELF-SUFFICIENCY

## 22.1 OVERVIEW

Under its approved Moving to Work Agreement and MTW Plans, EOHLC has modified and enhanced the Family Self-Sufficiency (FSS) program in an effort to encourage participation and support completion of the program. The policies contained in this chapter reflect EOHLC's MTW FSS program.

MTW FSS policies will apply to participants from all HCV programs, including Mainstream 5 and VASH.

The mission of the FSS program is to assist enrolled families by maintaining an FSS Program which provides case management and peer support, coordinates with local resources and services needed by FSS participants, and offers concrete incentives, such as the FSS escrow account, to encourage families to set and achieve their short- and long-term goals toward employment and economic self-sufficiency. Additionally, among the goals of the FSS program are the elimination of participants' needs for public assistance and enhancement of participants' abilities to achieve homeownership, if desired.

The FSS program helps eligible families work toward economic independence and self-sufficiency over the term of the contract. The RAAs work with the public and private sectors to create a workforce enhancement program where participants receive training and counseling such as skill building, job training and educational opportunities, and referrals to other ancillary supports such as childcare and transportation providers.

A "Contract of Family Participation" (COP) is tailored for each participant. This contract outlines the participant's goals and describes the various work-related activities in which the participant agrees to participate. The participant is allowed to modify their goals as they gain both work experience and more perspective on their future. As the participant's income and rent share increases, an escrow account is established by EOHLC to set aside funds for the participant's use at the end of the program.

Each of EOHLC's RAAs administering the Section 8 Housing Choice Voucher program will establish and operate the FSS program in accordance with agency requirements. Each RAA will establish a coordinating committee representing local stakeholders, resource providers, FSS coordinators, and program participants to support the success of the program and its participants. To avoid duplication of effort, if there is another FSS program coordinating committee (PCC) in the RAA's jurisdiction with whom the RAA can partner, the RAA need not set up its own coordinating committee. Partnering with another coordinating committee is also contingent on the committee being comprised of shared local stakeholders and resource providers. RAAs must also consider availability of resources in their entire region, and if the existing PCC can meet the needs of all potential EOHLC participants.

EOHLC's FSS program is a voluntary program under current HUD guidelines and, as a voluntary program, families who elect not to participate will not be negatively affected in regard to admission or ongoing participation in EOHLC's Housing Choice Voucher Program.

## 22.2 FSS FINAL RULE 2022

Existing FSS participants (who have CoPs in place on or before November 1, 2022) will be able to determine whether they want to sign a new CoP and follow the rules under the new MTW Final Rule CoP or whether they wish to retain their existing CoP and the applicable contract rules as referenced therein.

If a revised CoP is signed, the baseline income information, contract start, and contract end date will remain unchanged.

The policies in this chapter reflect applicable FSS 2022 final rule regulations, except where superseded by EOHLC MTW policy. Participants enrolled prior to Final Rule passage, who do not elect to switch to final rule continue to follow existing non-final rule policies. Final Rule policies are applied to all FSS participants with an effective enrollment date of 11/1/22 or later.

## 22.3 DEFINITIONS

- Effective date of Contract of Participation (CoP) means the first day of the month following the date in which the FSS family and the PHA entered into the CoP.
- Head of the FSS Family means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.
- Seek Employment: The obligation to seek employment means searching for jobs, applying for employment, attending job interviews, and otherwise following through on employment opportunities.
- Suitable Employment: A determination of suitable employment shall be made by EOHLC's RAA with the agreement of the affected participant, based on the skills, education, job training, and receipt of other benefits of the household member. Suitable employment should also be based on job opportunities within the jurisdiction served by EOHLC's RAA.

## 22.4 PROGRAM BENEFITS AND ROLES AND RESPONSIBILITIES

FSS staff will provide technical assistance and support, information and referral, and program activities (such as workshops, peer groups meetings, recreational events, etc.) to participants throughout their FSS participation in order to assist the family in meeting their goals. It is to be expected that the types and level of assistance will vary over time, depending on each family's situation. The FSS Coordinator will establish program expectations around communication methods and frequency in order to maintain regular contact with participating families; beyond this, it is the role of the family to initiate contact if they feel that they need additional services, resources, or support. At a minimum, FSS staff should maintain quarterly communications with FSS participants. Each of the RAAs must provide access to a Financial Literacy/Budgeting class for all FSS participants. Completion of this class is a program requirement.

## 22.5 OUTREACH

The RAAs will establish procedures to ensure that eligible families are informed about the program, offered the opportunity to enroll on a voluntary basis, offered a thorough family and employment development assessment, and assisted in identifying employment and other self-sufficiency goals for the year participation period. Outreach practices must reflect the following:

- RAA's outreach and recruitment efforts must reach all HCV participants.
- RAAs must use participant data to understand where their voucher holders live and make every effort to ensure that participation rates reflect the numbers of EOHLC voucher holders in a particular community. Underserved areas should receive focused recruitment and outreach.
- Recruitment must be done in a variety of languages, reflective of the population served by the RAA and in compliance with the LEP goals of EOHLC.
- RAAs should work in partnership with a variety of area agencies and programs to reach as many potential participants as possible.
- Targeted efforts to reach underrepresented populations will include local partnerships with community-based organizations serving minority populations, as well as focus groups with current and past FSS participants to better understand and address any barriers to participation for minority families.

Outreach for new families will be ongoing and will include the following activities at a minimum:

- Mass mailing to voucher holders.
- Flyers in all briefing and recertification packets.

- Attendance and presentations at briefings and other RAA events.
- Posting materials and success stories on RAA websites and in organizational newsletters.
- Attendance at community meetings to discuss the program and its benefits.
- Direct referrals from program representatives, managers, and inspectors.

## **22.6 PROGRAM SIZE**

The size of each RAA's FSS program will be established by EOHLC. EOHLC has exceeded its statewide program size and continues to add participating families. EOHLC's FSS target for participants is in the range of 750 to 850 participants. Each of the RAAs are expected to support a minimum 50 FSS participants per each FSS FTE. EOHLC may modify this allocation based on program need and participation levels.

## **22.7 SELECTION OF FSS PARTICIPANTS**

FSS participants will be selected on a first-come, first-served basis from the pool of active HCV participants. Families will always be selected in a nondiscriminatory manner without regard to classes protected by federal, state, and local law, such as race, color, religion, gender, family status, national origin, sexual orientation, or disability.

Any HCV participant who expresses an interest will be afforded the chance to participate in the FSS program. If at some point the availability of FSS slots becomes limited, a waitlist will be established and applicants will be enrolled on a first-come, first-served basis.

EOHLC will coordinate referrals and outreach from relevant self-sufficiency programs to ensure that all eligible families will have the opportunity to participate in FSS. EOHLC offers the FSS program to all VASH, FUP, EHV, Mod Rehab, and Mainstream voucher holders.

## **22.8 ELIGIBILITY**

All families participating in the Section 8 Housing Choice Voucher program operated by the RAAs under subcontract to EOHLC are eligible to enroll in the FSS program administered by the RAA for their region of residency. Household members must be 18 years of age and older to participate in the FSS Program.

To determine whether a designated family member is a suitable candidate for the FSS program, the RAA may screen for motivation to participate but may not apply any other motivational screening criteria such as those outlined below:

- Educational level
- Educational or standardized motivational test results
- Previous job history or job performance
- Credit rating
- Marital status
- Number of children
- Sensory or manual skills
- Classes protected by federal, state, or local law, such as race, color, religion, sex, disability, familial status, or national origin
- Outside assessment that states that a person is not likely to become self-sufficient during the term of the contract

Each RAA may use the following motivational screening criteria to determine eligibility for participation in the EOHLC's FSS program:

- Should demonstrate some level of interest and motivation to participate in the FSS program. Such screening will measure the family’s interest and motivation, not their qualifications or ability. Examples of motivational screening tasks which the RAA may require include:
  - Attendance at FSS orientation session or pre-enrollment interviews.
  - Completion of certain tasks that indicate the family’s willingness to undertake the FSS contract obligations such as:
    - Contacting a job training program.
    - Contacting an educational program.

RAAs will assist potential participants, as needed, to ensure they do not face any barriers that may prevent them from meeting FSS program enrollment requirements.

Each RAA will use the following criteria to determine eligibility for participation in the MTW FSS program:

- Must be a current participant in one of the following programs: HCV Tenant-Based, HCV Project-Based, VASH, FUP, EHV, Mod Rehab, or the Mainstream voucher program.
- Must not owe any of the RAAs money related to their participation in the voucher programs; or, if the family has entered into a repayment agreement for monies owed to the RAA then the family must be up to date on payments.
- Must be in compliance with the lease and other program requirements. Receipt of two or more proposed termination letters in a 12-month period will be deemed “not in compliance with program requirements.”

## **22.9 HEAD OF THE FSS FAMILY**

The Head of the FSS Family is designated by the participating family. RAAs may make themselves available to consult with families on this decision but it is the assisted household that chooses the Head of the FSS Family that is most suitable for their individual household circumstances. The designation or any changes by the household to the Head of the FSS Family must be submitted to the RAA in writing. Both the Head of Household and the Head of the FSS Family will sign a form stating that they have approved this designation prior to the CoP effective date.

- The Head of the FSS Family is the individual who will complete and sign the CoP.
- The Head of the FSS Family will be responsible for meeting the goals set in the ITSP and for all other responsibilities as defined in the CoP and the ITSP associated with the FSS program, including finding and maintaining suitable employment.
- The Head of the FSS Family will receive the escrow check at graduation.

## **22.10 FAMILY SUPPORT NEEDS**

A needs assessment will be conducted initially with participants selected for the FSS program to identify and evaluate the participant’s needs, strengths, training or reemployment readiness, and the appropriateness of employment goals so that an ITSP can be developed.

The needs assessment will include:

- Identifying family strengths, resources (internal and external), and accomplishments that will be drawn upon while participating in the program.
- Identifying other needs to determine long-term solutions.
- Identifying the participant’s employability.
- Identifying skills, interests and values regarding school, training, and job opportunities.

As participants further engage with the program, they may conduct self-assessments and/or work with partners to identify additional goals and opportunities using other assessment tools.

## **22.11 STATEWIDE RE-ENROLLMENT POLICY**

- Participants may enroll in FSS more than once, provided they have maintained the employment progress they made during the prior enrollment(s) – the one immediately preceding the new enrollment – unless there is good cause for the disruption of their employment. Good cause includes but is not limited to:
  - Involuntary loss of employment/reduction in hours
  - Leaving workforce to care for a family member
  - Loss of childcare
  - Transportation problems
  - Health issues
  - Increase in other family responsibilities
- A participant looking to re-enroll must not owe any of the RAAs money related to their participation in the HCV or PBV programs and if money is due, family must be current on a repayment agreement or pay the debt in full prior to enrollment.
- Participants should be supported in setting new goals that move them further along the self-sufficiency path.
  - If a graduate earned a high school diploma during their prior FSS enrollment, then he/she should be supported in completing job training, or enroll in college, increase skills through on-the-job training etc.
  - If working part-time at the end of the prior FSS enrollment, he/she should increase work hours or hourly wage, if appropriate.
  - New goals may also be encouraged to include asset development activities such as opening college savings accounts for children, savings bonds, or improving credit score.
- Participants who have not maintained employment through no fault of their own, such as a reduction in hours available, layoffs, health crises, loss of childcare or transportation, will be allowed to re-enroll.
- Decisions for re-enrollment under other circumstances will be on a case-by-case basis.
- Participants who are terminated from FSS or who voluntarily withdraw will be considered for reenrollment after a six-month waiting period.

## **22.12 FSS CONTRACT OF PARTICIPATION**

A family enrolls in the FSS Program, with all rights and responsibilities, by entering into an FSS COP and signing the COP with the RAA. FSS participants are subject to all applicable regulations and policies which are stipulated in the COP.

The HCV family will designate the Head of the FSS Family, and both the Head of Household and Head of the FSS Family will sign a form stating that they have approved this designation prior to the CoP effective date.

The income and rent numbers inserted on the COP are taken from the last reexamination or interim before the family's participation in FSS.

An FSS household whose enrollment income is zero must complete zero-income screening per EOHLC's [6.20 Zero-Income Status](#) verification requirements.

At the time of enrollment in FSS, if a family member is out on a leave (medical or other type of leave) and is not receiving a salary from the employer, the RAA will use the last earned income from the employer as the baseline for escrow calculations.

**MTW Policy**

The initial term of the CoP is five years. The effective date of the CoP is the first day of the month following the date the contract was signed by the family and a representative of the RAA. The expiration date of the CoP is five years from the effective date.

In order to maintain good standing in the FSS program, with all attending program benefits, the participating family must remain in compliance with all terms of the FSS CoP, which includes the ITSP and, as outlined in the FSS CoP, their residency lease. The RAA will establish procedures for addressing situations in which a family is not in compliance with the FSS CoP. A family's participation in the HCV program will not be terminated solely for failure to comply with the FSS COP or FSS program requirements.

**22.12.1 Modifications to Goals**

The FSS ITSP may be amended by mutual agreement between the participant and the FSS program, with such changes made in writing and signed, then becoming a required attachment to the FSS CoP.

**22.12.2 Mandatory Goals**

In addition to the mandatory goals to seek and maintain suitable employment during the term of the contract and that every family member be independent from welfare assistance before the expiration of the term of the CoP, under MTW, EOHLC has established additional mandatory goals as outlined below. EOHLC feels that these requirements strengthen participants' financial knowledge and self-sufficiency success rates.

**MTW Policy**

For participants enrolled in the Matched Savings Homeownership Program, graduation will also be incumbent on the participant completing five homeownership focused workshops.

All other FSS participants will be required to complete a financial budgeting workshop as a condition of graduation from FSS.

All FSS participants are required to maintain quarterly communication with the FSS case manager throughout the term of the CoP or communicate with FSS Coach about why this may not be possible or necessary.

**22.12.3 Extensions to the FSS Contract of Participation**

EOHLC's extension policies are grounded in the commitment to support families' success and to provide them with the flexibility they need to complete the program. If participants do not achieve their goals within the 5-year term, they can request an extension.

Extensions are subject to the following restrictions:

- All contract extensions will be for six months or less and must be for good cause.
- Extensions will be made for the following reasons:
  - Circumstances beyond a family's control leading to an inability to complete the contract (involuntary job loss, illness of the FSS HoH, loss of childcare leading to the inability to complete a goal or leading to loss of employment).
  - Participant is actively pursuing a CoP goal and needs additional time to complete the goal.
- Appropriate action steps should be set and met for each six-month extension.
- No more than four six-month extensions will be allowed (a maximum of two years).

- No contract extensions should be given solely to allow for participant to earn more escrow.
- No contract extensions should be given to enable the head of household time to find a job if all escrow was the result of another wage earner (this issue should be identified and corrected 12-18 months before graduation).
- No contract extensions should be longer than the time needed to reach the goal of the extension – if a household needs eight months to complete a degree program, the first extension is six months, the second (assuming approval of an extension) can only be for two months.
- If the extension was given in order to complete goals including finding employment, and no progress is made on the goals during the extension, no additional extensions can be granted.
- All extensions must be requested by the participant 30 days prior to the end of the CoP and processed/approved before the end of the CoP. FSS Coordinators can submit the extension request on behalf of the participant if the participant is unable to do so. The reason for this must be documented in the participant file.

#### **22.12.4 Completion of the Contract**

An FSS family will successfully complete its participation and be eligible to receive the amount in its FSS Escrow Account, less any amounts owed to the RAA, when it has met the conditions established in EOHLC's FSS program. In most cases this will occur when the family is in good program standing, has come to the end of the contract period, and has met all goals outlined in the original or revised ITSP.

The family's contract will be considered completed if the FSS family has fulfilled all obligations under the contract on or before the expiration of the contract term (or extension). Pre-Final Rule FSS participants will be considered graduated if the applicable percentage of the family's monthly adjusted income equals or exceeds the published existing HUD Fair Market Rent for the size unit for which the family qualifies based on EOHLC occupancy standards. The COP will be considered completed and the family's participation in the FSS program concluded on this basis even though the contract term, including any extension thereof, has not expired, and the family members who have individual training and services plans have not completed all the activities set forth in their plans

A participant may request to be determined to have successfully completed their FSS participation prior to the end of their contract period, and if the RAA determines that they have met the requirements for successful completion they will be eligible to graduate and receive their escrow account funds. The participant does not have to be free of housing assistance to have completed the contract.

In keeping with the FSS program's goal to assist families over time, a family may receive post-graduation support from the FSS program if requested, subject to staff capacity and availability.

#### **22.12.5 Consequences of Non-Compliance with the Contract**

If the family does not comply with the contract, and does not show good cause for the non-compliance, the RAA may:

- Withhold the supportive services.
- Terminate the family's participation in the FSS program.

Families may request an informal hearing after being notified of a corrective action by the RAA.

#### **22.12.6 Documentation of Goal Completion**

Documentation of goal accomplishment should be requested and maintained in the file by the RAA during the FSS family's participation in the FSS program.

EOHLC will request final documents to validate completion of agreed-upon goals. Such documentation may include but is not limited to the following:

- Employment: Letter from the employer, pay stubs.
- Education: Letter from the institution, original transcript, diploma, or certificate of completion.
- Welfare Assistance: Benefit statement indicating \$0 benefits, letter from the welfare agency, certification from the participant (only if attempts to contact the welfare agency have failed).
- Finance: Updated credit score, certificate of completion of classes, bank account statements.
- Homeownership: Approved mortgage, HUD Settlement Statement, letter from the financial institution.
- Homeownership Bonus: HUD-approved homeownership course certificate less than two years old, quitclaim deed, signed purchase and sale agreement (if using for down payment and/or closing costs).

### **22.12.7 Termination of the FSS Contract**

At every stage in the program, the RAAs will work with participants to address the challenges and barriers to their continued participation and to support their graduation from the program.

#### **22.12.7.1 Involuntary Termination**

The RAAs may involuntarily terminate a family from FSS under the following circumstances:

- If the participant fails to meet their obligations under the CoP, the ITSP, and related documentation. Non-compliance includes:
  - Missing scheduled meetings, failure to return phone calls, and/or maintain contact after written notification of non-compliance. All participating FSS families must maintain contact with their FSS coordinator on a quarterly basis during their participation in the program, or risk involuntary termination. Contact may include phone, in-person, and/or on-line communications.
  - Failure to work on activities and/or goals set forth in the ITSP, including employment activities.
  - Failure to complete activities and/or goals within the specified time frames.
- If the participant's housing assistance has been terminated.
- Services are unavailable, according to HUD's regulations.
- The participant becomes permanently disabled and unable to work during the period of the contract, and no other household member can assume the CoP.
- The participant moves outside the jurisdiction of EOHLC and the continuation of the CoP or completion of the CoP prior to the move is not possible.

The RAA will terminate participation in the FSS program and require forfeiture of the FSS escrow without terminating HCV program assistance as a consequence of not completing the obligations of the ITSP or FSS CoP. The RAA will review the circumstances of the non-compliance to determine the appropriate remedy. The RAA may also consider renegotiating or revising the ITSP with the family.

If the RAA decides to withhold escrow, terminate FSS supportive services, or terminate the FSS contract because the family failed to comply with its ITSP or FSS CoP, EOHLC will offer the family the opportunity for an informal hearing.

#### **22.12.7.2 Voluntary Termination**

Participants may also be terminated from the FSS program under the following circumstances:

- Mutual consent of both parties.

- The family’s withdrawal from the program.

### **22.13 INDIVIDUAL TRAINING AND SERVICE PLAN**

As a required attachment to the FSS COP, the family head of household also signs the FSS ITSP. The ITSP outlines the steps that the participant will take during the contract period to meet their goals and the program requirements of working toward, obtaining, and maintaining suitable employment and becoming independent of all forms of welfare assistance prior to the end of their contract period. For Final Rule participants, all members of the household must be independent of welfare assistance at the time of graduation. For pre-Final Rule participants, all members of the household must be independent of welfare assistance for 12 months prior to graduation.

The FSS ITSP may be amended by mutual agreement between the participant and the FSS program, with such changes made in writing and signed, then becoming the required attachment to the FSS COP.

The ITSP includes:

- The supportive services to be provided to the family member
- The activities to be completed by that family member.
- The agreed upon completion dates for the services and activities.
- Mandatory HUD and EOHLHC goals as applicable and defined in Section 22.11

The ITSP is mandatory for the FSS head, and optional for other family members.

### **22.14 CHANGE IN FAMILY COMPOSITION**

If the Head of the FSS family head leaves the family during the term of the contract, and the remaining family members want to continue participation in the FSS program, a remaining FSS family member, 18 years or older, shall have the right to take over the CoP. A new FSS Head of Family form will be signed. The contract will be revised to reflect the new Head of the FSS family, who will be the family member eligible to receive the escrow.

If any family member with an ITSP leaves the assisted family during the term of the FSS contract, the RAA will delete the ITSP for that family member.

The RAA will determine whether new or revised ITSPs need to be established for the family to continue its participation in the FSS program.

If the initially designated head of the FSS family or any other family member with an ITSP did not meet the obligations under the contract, the RAA may terminate the FSS contract or terminate assistance under the program.

### **22.15 PROVISION OF SERVICES**

The RAA is responsible to ensure that the services provided to the family are adequate. If a social service agency fails to deliver the supportive services identified in the ITSP, the RAA will make a good faith effort to obtain the services from another agency. If the RAA is unable to obtain the services, they will decide whether another available service would achieve the same purpose. If the unavailable services are not key to the family’s ability to achieve self-sufficiency, the RAA will revise the ITSP to delete the services and modify the contract accordingly. If the services are integral, the RAA will declare the contract null and void.

Each RAA is required to identify local and regional supportive services that will assist FSS families’ progress. These services may be available in-house, in which case RAAs are encouraged to develop policies and procedures that support FSS participants’ access to them.

These resources include, but are not limited to, the following:

- Career counseling, job development, and employment

- Childcare including after school and summer programming for school-age children
- Education and/or training programs
- Entrepreneurial training
- Homeownership
- Transportation
- ESOL
- Financial literacy programs
- GED/HiSET programs
- Family services including food pantries, counseling, domestic violence programs, substance abuse agencies, physical/mental health service providers.
- Other supportive services.

RAAs are encouraged to develop partnerships and/or relationships with critical service providers in order to facilitate access to services as needed. Services will be provided by the MassHire Career Centers, Head Start, Community Action Agencies, Regional Transportation Boards, community colleges, four-year educational institutions, local libraries, Adult Education Collaboratives, local religious organizations, and other agencies as required.

## **22.16 ESCROW ACCOUNTS**

Generally, as the family’s earnings increase over time, the escrow account is credited with a portion of the amount of increased rent they pay due to increases in earned income. Each of the RAAs will establish an FSS Escrow Account; with subsidiary ledgers to track FSS Escrow Account balances applicable to each participating family. Additional Escrow Account Guidance can be found here, [Accounting Brief No. 26](#).

The family’s annual income, earned income, and family rent are inserted into the CoP at execution. These become the baseline figures for future escrow calculations. Escrow credits are based on increase of earned income. Other escrow account features include:

- Increases in income other than earned income do not contribute to the escrow credit.
- At the time of enrollment in FSS, if a family member is out on a leave (medical or other type of leave) and is not receiving a salary from the employer, the RAA will use the last earned income from the employer as the baseline for escrow calculations.
- If additional family members are approved by the RAA, their earned income is counted when computing the escrow regardless of whether they have an individual training and services plan.
- No credits will be made to the family’s FSS escrow account after the FSS family has completed the CoP or when the contract is terminated or otherwise nullified.
- No credits will be made to the family’s FSS escrow account when the family’s adjusted annual income exceeds 80% of area median income based on the family’s size.

Earned income is income from wages, tips, salaries, other employee compensation, military pay that is normally included in the annual income definition and any earnings from self-employment. Earned income does not include pensions, annuity payments, transfer payments, cash or in-kind benefits, or funds deposited in or accrued interest on the escrow account established by the RAA or an Initial Housing Authority on behalf of a participating family.

### **22.16.1 FSS Escrow Credit**

FSS families are eligible for escrow account credits when the family's income increases due to increases in earned income to the extent that escrow credit is generated. During each regular or interim reexamination, for an enrolled family, income will be examined to determine if the family will receive escrow credit.

Unless required by policy, FSS families are not required to report increases in income between regular reexaminations; however, if an FSS family chooses to report an increase in income for escrow credit, the RAA will process the interim increase and the family rent will be recalculated.

The RAA will follow the Administrative Plan to determine whether an interim reexamination is required or optional.

The RAA will provide the opportunity for escrow credit to all FSS families regardless of their income level; however, families with adjusted annual income that exceeds 80% of AMI will no longer receive escrow credit.

All earned income that had been disregarded due to a self-sufficiency program (such as EID) would be included when the baseline is set; however, this will have no impact on the participant's rent. This provision is used to set the baseline income.

#### **MTW Policy**

For MTW households, EOHLC is applying an escrow equal to the lower of the growth in monthly TTP or 30% of the growth in earned income, which corresponds to HUD's 2022 Final FSS Rule; however, EOHLC will not cap the escrow at the difference between the payment standard or gross rent and baseline rent.

Where EOHLC has a working family earned income exclusion, EOHLC will give FSS families the option whether or not to accept that earned income exclusion as it will impact escrow.

- If an FSS family opts not to accept the earned income exclusion, the family's earned income, rent, and escrow will be calculated without consideration of this exclusion.
- If an FSS family chooses to accept the earned income exclusion, the family's earned income, rent, and escrow will reflect the calculated earned income amount after the exclusion is applied.

### **22.16.2 Timing of the Escrow Credit Calculations**

- When the family is selected for the FSS program and executes a COP, the RAA will enter the baseline income data into the contract.
- There will not be an escrow calculation until the family has a qualifying increase in earned income after the date of the contract.
  - If at enrollment, an FSS family does not have an open certification, the RAA will use the last completed certification to inform the baseline income and rent.
  - If a certification is completed with an effective date on or after the contract effective date, the family will be entitled to applicable escrow credit for the current certification, even if the current certification is effective on the contract effective date.
    - For example, a family joined FSS in mid-February 2022 and their last completed certification, which was effective in March 2020, was used for the baseline income and rent. The CoP had an effective date of March 1, 2022, which is the first of the month following month after contract execution. Also on March 1, 2022, the family had their regular reexamination which reflected an increase in earned income. The family is entitled to escrow starting March 1, 2022, since the income in this reexamination reflected an increase over the baseline earned income.
- Thereafter, whenever the RAA conducts a regular or interim reexamination during the contract, the RAA will also calculate the monthly escrow credit.

- The RAA will follow the Administrative Plan to determine whether an interim reexamination should be conducted, and whether or not escrow will be recalculated.
- If the family has one or more interim reexaminations during the year, the monthly escrow amount may change during the year. Otherwise, the monthly escrow credit will be the same for the entire period between regular reexaminations.
- Interim reexaminations for families in the FSS program will not count toward the limit on voluntary interim reexaminations.

### **22.16.3 Crediting the Escrow Account**

- Each of the RAA will deposit all escrowed credits into a single interest-bearing depository account.
- The IRS does not count the funds or interest on the funds in the escrow account as income for purposes of income taxes, either before or when the family actually receives the escrow. No 1099 should be prepared or sent.
- The total of the combined FSS account funds for families will be supported in the RAA's accounting records by a subsidiary ledger. This ledger will show the balance applicable to each FSS family.
- As per HUD guidance issued in 2022, each RAA must deposit escrow funds into the account every month.
- If the RAA finds that a family did not report income they were required to report, the RAA will not credit the family's escrow account retroactively with any portion of the unreported income. In addition, if the family committed program fraud, it is grounds for termination from the HCV program, as well as the FSS program.
- When a family moves, an income certification is completed in conjunction with the move effective date. However, when a move has a mid-month effective date, the escrow credit will not be adjusted to reflect the move certification until the first of the month following the move effective date.

### **22.16.4 Investing the FSS Escrow Account**

The RAA will deposit the FSS escrow account funds of all families in an FSS program into a single interest-bearing depository account. The investment income for funds in the FSS escrow account must be prorated and credited to each family's escrow account based on the balance in each family's FSS escrow account at the end of the period for which the investment income is credited.

Before applying the interest, the RAA will check to see whether:

- The owner has reported that the family has not paid rent or other amounts due under the lease.

### **22.16.5 Reporting on the FSS Escrow Account**

- Each RAA will make a report twice per year to each FSS family on the status of the family's FSS account.
- At a minimum, the report must include:
  - The balance at the beginning of the reporting period.
  - The amount of the family's rent payment that was credited to the FSS account during the reporting period.
  - Any deductions made from the account for amounts due the RAA before interest is distributed.

- The amount of interest earned on the account during the year (interest will be reported annually).
- The total in the account at the end of the reporting period.

### **22.16.6 Interim Disbursements**

The RAA may, at its sole discretion, disburse a portion of the funds from the family’s escrow account during the contract period for contract-related expenses if the family:

- Has fulfilled certain interim contract goals; and
- Needs a portion of the FSS account funds for purposes consistent with the contract.

Interim disbursements can only be made for a participant twice in a six-month period and cannot exceed 30% of the account’s balance. Exceptions to this interim disbursement requirement will be considered on a case-by-case basis and must be approved by EOHLC prior to releasing funds. EOHLC recognizes there may be extraordinary circumstances that require an exception to this guideline and will base their decisions on what is in the best interest of the FSS participants.

Examples of expenses which may justify an interim escrow disbursement include, but are not limited to the following:

- School tuition (or other school costs) including late fees, tuition/fee balances, student loan payments to remove from default status, etc.
- Job training expenses
- Business start-up expenses
- Car (when public transportation is unavailable or inaccessible to the family)
- Other approved self-sufficiency activities, including those related to other interim goals – such as credit repair/credit building
- Interim disbursements can only be made for a participant twice in a six-month period and cannot exceed 30% of the account’s balance. Exceptions to this interim disbursement requirement will be considered on a case-by-case basis and must be approved by EOHLC prior to releasing funds. EOHLC recognizes there may be extraordinary circumstances that require an exception to this guideline, and will base their decisions on what is in the best interest of the FSS participants

### **22.16.7 Disbursing the FSS Escrow Account**

The amount in an FSS account, in excess of any amount owed to the RAA or landlord, by the FSS family, is paid to the head of the FSS family when the FSS Contract is complete or existing FSS families who chose not to update their CoP to reflect the MTW 2022 FSS Final Rule CoP, whenever the family’s monthly adjusted income equals or exceeds the FMR for the unit size for which the family qualifies, based on EOHLC’s occupancy standards (even if the CoP has not yet expired), the contract will be considered complete and the family’s participation in FSS will end and escrow will be paid, less money owed as above.

Even if the family is welfare-free at the contract expiration date, if the family has not met its other FSS obligations, including obtaining employment, the family is not eligible for the escrow.

An intergenerational family whose head becomes independent of welfare assistance but whose adult child with a child continues to receive TANF is not eligible for the escrow because ALL family members must be free of federal and state welfare assistance. See

[Debts Owed for FSS](#) Participants to determine escrow disbursement policies when debt is owed by a FSS participant.

### **22.16.8 Use of FSS Escrow Funds**

The family may use the final disbursement of escrow account funds without restriction.

An FSS family may use its FSS escrow account funds for the purchase of a home, including a home:

Under one of HUD's homeownership programs.

Under other federal, state, or local homeownership programs.

If a family receives an interim disbursement from their escrow account prior to completing the contract, the advance payment does not have to be repaid to the RAA if they withdraw from the FSS program, unless the payment was based on fraud or misinformation by the family.

### **22.16.9 Forfeiting the Escrow Account**

Amounts in the FSS account will be forfeited if:

- The COP is terminated.
- The COP is completed but the family is receiving welfare assistance when the contract expires, including extensions.
- The COP is completed; however, the FSS head of household has not sought and maintained suitable employment.

If the head of the family dies and the remaining members of the family choose not to continue participating in the program and the contract obligations have not been met, the escrow funds would be forfeited.

If families do not pay their rents to the HCV owner, the funds may be forfeited because:

- Compliance with the applicable HCV lease is a family obligation under the contract.
- Nonpayment of rent is grounds for terminating a family's FSS participation (and the HCV program) and forfeiture of the escrow.

FSS escrow account funds forfeited by the FSS family will be used by EOHLC for the benefit of the FSS participants. Specifically, such funds may be used for the following purposes:

- FSS program incentives
- Support for FSS participants in good standing, including, but not limited to, transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the CoP
- Training for FSS Program Coordinator(s)
- Other eligible activities as approved by HUD in EOHLC's MTW Plan

At EOHLC's discretion, forfeited escrow funds may be considered in lieu of an interim disbursement and/or Jump Start funds. Use of forfeited escrow funds may be requested by the Head of the FSS family only.

Funds will be held at the local/RAA level in designated bank accounts, and funds will be distributed by the FSS coordinators following development of standard processes and forms in partnership with EOHLC. No RAA will implement a plan for forfeited escrow funds that creates an incentive (intentional or otherwise) for the FSS program to forfeit escrow in order to maintain access to funds.

### **22.16.10 Termination with FSS Escrow (FSS Final Rule 2022 Enrollees/Converts Only)**

The CoP will be terminated with FSS disbursement of escrow under the following conditions:

- Services that EOHLC and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable.

- The Head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless EOHLC and the FSS family determine that it is possible to modify the contract to designate a new Head of FSS family.
- An FSS family in good standing moves outside of EOHLC’s jurisdiction in accordance with portability requirements for good cause, as determined by EOHLC, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

## 22.17 OTHER FSS INCENTIVES

### MTW Policy

EOHLC, using its MTW flexibility, has developed a number of FSS incentives to encourage participation and successful completion of the FSS program.

- Funding to reward families who choose to delay full-time employment in order to pursue education and/or training which will better prepare them to attain long-term self-sufficiency than immediate entry into the workforce.
- An incentive payment for FSS graduates who purchase a home and withdraw from the HCV program within two years of completion of the FSS program. The initial incentive payment will be set at \$5,000 but may be periodically reviewed and updated at EOHLC’s discretion. To qualify for the homebuyer purchase bonus, the FSS homebuyer must complete a HUD-approved homebuyer education course. The \$5,000 bonus may be used for a down payment or for post-purchase expenses.
- A Matched Savings Program to support homeownership.
- EOHLC may establish a sign-on bonus for new FSS participants.
- Establishment of local partnerships to provide FSS family members with access to career coaching, employment, and training programs.

Using its MTW flexibility, EOHLC established Jump Start funds, which are available to assist FSS participants who face barriers in obtaining employment or completing education goals.

- Jump Start Education and Training Incentive funds are for postsecondary education and job training “escrow” in lieu of earned income escrow.
- A discretionary fund to assist FSS participants with short term assistance in order to enable household members to participate in employment or educational activities (i.e., funding for car insurance or childcare, etc.).
  - Jump Start grants are small grants to assist participants with financial barriers preventing them from entering the workforce or starting an education/training program (e.g., funding for car insurance or childcare).

## 22.18 FAIR HOUSING

EOHLC’s RAA will administer their FSS programs in accordance with all applicable Fair Housing and Equal Opportunity laws, HUD’s FSS Coordinator funding requirements, HUD’s Limited English Proficiency (LEP) guidelines, and in such a manner as to affirmatively further fair housing.

## 22.19 FSS PORTABILITY

As established in the FSS COP, the family must live in Massachusetts at least 12 months from the effective date of the COP.

- A family that is enrolled in the FSS program through one of the RAAs may relocate to another region within Massachusetts and immediately continue their participation and FSS COP through the RAA in the new region throughout their contract period.

- A family that has resided in Massachusetts for at least one year after enrolling, and now seeks to relocate out-of-state, may be eligible to transfer their FSS participation to the housing authority/agency in the new location, subject to the receiving authority's policies and in keeping with HUD regulations governing FSS participation transfers. FSS staff will assist the family in investigating their FSS options when considering a portability move in order that they family may make an informed choice at the time.
- FSS families will not be penalized in exercising their right to portability.
- MTW FSS policies will apply to FSS participants who port into and are enrolled into the RAA's FSS program. If a EOHLC participant ports out of Massachusetts and enrolls in the receiving FSS programs, EOHLC's MTW FSS policies are no longer applicable to that family.
- EOHLC's RAA will not terminate a family's assistance solely because they cannot participate in the FSS program in their new location.
- If a family is subject to termination in the FSS program because of failure to meet a contract obligation, the family will not able to use a portability move to avoid the consequences.

### **22.19.1 Porting Out of EOHLC's Jurisdiction**

- When an HCV FSS family moves outside of EOHLC's jurisdiction under portability, the RAA may take one of the following actions:
  - The RAA may permit the family to continue to participate in its FSS program with EOHLC if the family demonstrates that it can meet its FSS responsibilities in the new location.
  - The receiving housing authority may allow the family to participate in its FSS program.
  - The RAA may terminate the contract in cases where the family cannot fulfill its obligations in the new location, or if the receiving housing authority does not allow the family to participate in its FSS program. In either of these cases, the family would forfeit the funds in the escrow account.
- If the receiving housing authority administers the voucher and wants to enroll a family into its FSS program, they may only do so if EOHLC continues to manage an FSS program and agrees to the enrollment.

### **22.19.2 Transfer to EOHLC's FSS Program Under Portability**

If an FSS participant moves into EOHLC's jurisdiction, they will be admitted in good standing into EOHLC's FSS program unless EOHLC is already serving the number of FSS families identified in its FSS Action Plan and determines that it does not have the resources to manage the FSS contract.

Regardless of whether EOHLC is able to receive an incoming family from another jurisdiction into the FSS program, EOHLC will agree to allow and support porting families to remain in their initial PHA's FSS program after porting if the initial PHA requests that the family remain in the initial FSS program and can demonstrate the family is able to fulfill its responsibilities under the initial CoP, the move in jurisdictions notwithstanding.

A relocating family may participate in EOHLC's FSS if approved by the RAA.

The RAA is not obligated to accept a relocating FSS family in its FSS program.

If the RAA allows the family to participate, the RAA enters into a new contract with the family for the term remaining on the initial housing authority's FSS contract. The initial housing authority will terminate its FSS contract with the family. The family is subject to the MTW FSS program rules and requirements.

The effective date of the contract between the family and the RAA is the first day of the month following the date the contract was signed by the family and the RAA's representative.

The expiration date of the contract between the RAA and the family must be the same as the expiration date of the contract between the initial housing authority and the family.

The RAA will use the amounts listed for Annual Income, Earned Income, and Family Rent (TTP) on the original COP between the initial housing authority and the family.

### **22.19.3 Monitoring Status for FSS Clients Under Portability**

The PHA which is party to the FSS contract will be responsible for monitoring the family's FSS goal attainment, resource needs, and status. This will be the RAA if the family remains in the RAA's FSS program and it will be the receiving housing authority if the family becomes a client in the receiving housing authority's FSS program.

### **22.19.4 Escrow Accounts and Portability**

Regardless of whether the relocating FSS family is in the initial housing authority's or EOHLC's RAA's program, there will be a single FSS account.

If the RAA absorbs the family into its voucher program, the initial housing authority must transfer the family's FSS account to the RAA, whether or not the RAA has an existing FSS program.

### **22.19.5 FSS Termination with Escrow Disbursement for Porting Families**

If an FSS family seeks to move to a jurisdiction that does not offer an FSS program, the RAA will closely examine the family's progress to determine if it would be appropriate to exercise FSS Termination with Disbursement as discussed in the section on Termination.

Where continued FSS participation is not possible, the RAA will discuss the options that may be available to the family, depending on the family's specific circumstances, which may include, but are not limited to, modification of the FSS contract, termination of the FSS contract and forfeiture of escrow, termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii), or locating a receiving housing authority that has the capacity to enroll the family into its FSS program.

### **22.19.6 Termination and Portability**

The PHA that is a party to the contract and is monitoring the FSS status is responsible for determining whether the family has violated the FSS contract and whether the family's HCV assistance should be terminated, in accordance with its FSS Action Plan policies.

Where the family is not absorbed by the receiving housing authority but is participating in the receiving housing authority's FSS program, the initial housing authority will abide by the termination decision of the receiving housing authority.

If a relocating FSS family is unable to fulfill its obligations under the FSS contract, the PHA which is party to the FSS COP may terminate the family from the FSS program and the family's FSS account will be forfeited.

If the family's FSS account is forfeited, the funds in the account will revert to the PHA maintaining the FSS account for the family and will be treated as program receipts.

## **22.20 FSS REPORTING REQUIREMENTS**

EOHLC shall submit to HUD, as part of its MTW Annual Plan and MTW Annual Report, a report regarding the MTW FSS program. The report will be in the format as prescribed by HUD including baseline, benchmarks, and outcomes. In addition, all FSS programs will report program activities in all EOHLC-required reporting tools.

\*FSS Staff should refer to the FSS Resource Guide for comprehensive program guidance.

# CHAPTER 23 : FOSTERING STABLE HOUSING OPPORTUNITIES (FSHO)

## 23.1 OVERVIEW

The Consolidated Appropriations Act of 2021 FSHO amendment made changes to the assistance provided to eligible youth pursuant to the Family Unification Program (FUP), including the Foster Youth to Independence initiative (FYI) to provide FUP/FYI youth with an extension of the 36-month time limit of assistance for up to an additional 24 months if they meet the requirements of FSHO.

## 23.2 ELIGIBILITY

FSHO applies to FUP-eligible youth (FUPY) or FYI youth who first leased with either tenant-based or project-based FUP/FYI assistance effective after December 27, 2020. FSHO provides an extension of voucher assistance for:

- FUPY/FYI youth who are participating in a Family Self-Sufficiency (FSS) program under Section 23 of the U.S. Housing Act or MTW self-sufficiency program.
  - If the youth is offered an FSS slot during their first 36 months of FUPY/FYI assistance, the youth must participate in the FSS program in order to receive an extension of assistance.
  - If the youth is offered an FSS slot after the 36-month mark, they may choose to accept or decline the slot, opting instead to meet the education, workforce development or employment requirement.
- FUPY/FYI youth who were unable to enroll in FSS, but engaged in education, workforce development, or employment activities for at least 9 months of the 12-month period preceding the extension.
- FUPY/FYI youth who meet one of the statutory exceptions.
  - Are responsible for the care of a dependent child under the age of 6 or for the care of an incapacitated person
  - Are regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program.
  - Are incapable of complying with the requirement to participate in an FSS program or engage in education, workforce development or employment activities due to a documented medical condition.

## 23.3 PARTICIPATION

The RAA's FSS program must inform the FUPY/FYI youth at their initial briefing of the availability of the FSS program at the time the voucher is issued and offer them an FSS slot, if available, or offer to place them on the FSS waiting list. The youth must also be made aware of FUP/FYI supportive services, as well as any other programs or services available to them.

The RAA must also notify FUPY/FYI youth who were issued a voucher prior to the publication of this notice and first leased a unit after 12/27/2020, and offer them an FSS slot, if available, or offer to place them on the FSS waiting list. If an FSS program is unable to offer a FUPY/FYI youth an FSS slot during their first 36 months of receiving FUPY/FYI assistance, the youth is considered to have been "unable to enroll" but will still be eligible under the other two eligibility criteria if applicable.

Since it will be known that the FUPY/FYI participant's voucher will only be available for a specific period of time (not to exceed 60 months, total), the RAA's FSS Program Coordinator must work with the FUPY/FYI youth to establish Contract of Participation goals and an ITSP that can be accomplished within the time period left on the FUPY/FYI voucher.

FSHO does not impact participants in the FUP-FSS Demonstration.

# CHAPTER 24 : SUPPORTING NEIGHBORHOOD OPPORTUNITY IN MASSACHUSETTS (SNO MASS)

## 24.1 OVERVIEW

SNO Mass is a program within the Massachusetts Executive Office of Housing and Livable Communities (EOHLC) Moving to Work (MTW) initiative. The mission of the Supporting Neighborhood Opportunity in Massachusetts (SNO Mass) program is to help Housing Choice Voucher families with children move to communities with high-performing schools, parks and open space, and healthy, safe environments. Finding housing in these communities has historically been challenging for voucher holders due to market and administrative barriers. Through SNO Mass, EOHLC seeks to remove some of these barriers and increase housing choice for its voucher holders.

SNO Mass was initially piloted in early 2019 in two of EOHLC's eight regions in the state: the northeast region (administered by Community Teamwork, Inc.) and the western region (administered by Way Finders). In late 2020, the program was expanded statewide and is now offered to all of EOHLC's eligible voucher households.

## 24.2 ELIGIBILITY

The SNO Mass program is open to all of EOHLC's tenant-based HCV participants that meet the following criteria:

- Is a current voucher holder in "good standing" with the RAA.
- Has one or more children in the household under the age of 18
- Is currently living in an area not designated as a SNO Mass Opportunity Area

Eligibility for SNO Mass is limited to current HCV participants, meaning those who are already leased up in a non-Opportunity Area with their voucher.

## 24.3 PARTICIPATION

Families are officially enrolled into the SNO Mass program after they have completed all of the following steps:

- Attended an orientation.
- Attended three counseling meetings.
- Completed both assessments and a Housing Search Plan.
- Signed a Participant Agreement.

Eligible voucher holders interested in moving into one of the designated SNO Mass opportunity neighborhoods are provided with pre-move and post-move housing counseling. Mobility Specialists at the participating RAAs complete pre-move assessments with families to determine priorities and establish a housing search plan. Participating households are eligible to receive financial assistance for certain pre- and post-move expenses to help them move and take advantage of resources in their new neighborhood. Other benefits of SNO Mass include higher payment standards in certain communities, an expedited lease-up process, and landlord incentives. Once families are situated in their new neighborhoods, Mobility Specialists provide two years of post-move counseling.

# CHAPTER 25 : HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING PROGRAM (VASH)

## 25.1 OVERVIEW

The HUD-VASH (VASH) program combines HUD Housing Choice Vouchers for homeless veterans and their families with case management and clinical services provided by the US Department of Veteran Affairs (VA) at its VA Medical Centers and their community-based outreach centers (CBOC). PHAs are invited to administer VASH vouchers in partnership with a prescribed VAMC/CBOC (hereinafter referred to as VAMC.) The VAMCs refer homeless veterans to their partner PHA after the VAMC has determined that the veteran has met its criteria for independent living and the veteran has agreed to accept VAMC case management services for as long as their VASH case manager determines such assistance is required. The goal of the program is to combine Section 8 rental assistance vouchers with case management and clinical services provided by the Veterans Affairs Department at its medical centers to enable homeless veterans to re-integrate in the community to lead healthy, productive lives.

Beginning within FY 2025, EOHLC received permission to apply all MTW flexibilities, including FSS, to both tenant-based and projected-based VASH vouchers.

## 25.2 OUTREACH

The VASH program is a targeted referral program. All veterans and their advocates seeking information on selection to the VASH program must be referred to a participating VAMC. The RAAs responding to requests for information should attempt to identify where the veteran wants to live and make the referral to the participating VASH VAMC whose catchment area serves that community. Generally, VAMC catchment areas include communities that are located within approximately one hour of the VAMC. It is important to emphasize that the VAMC will not be able to refer a veteran to the appropriate RAA unless and until the VAMC has accepted the veteran onto their VA-VASH program and determined that the veteran meets the VAMC medical and clinical determination of eligibility for a voucher.

## 25.3 REFERRAL TO EOHLC

EOHLC serves as the central contact for all veteran referrals from the VAMCs. The VAMC will email or fax all relevant information about the veteran, other than the veteran's Social Security number (for privacy and security reasons) to EOHLC's VASH Coordinator. This policy assumes that the VAMC has verified the SSNs for homeless veterans and their family members by viewing an original document issued by a federal or state government agency, which contains the name of the individual and the SSN. Certificates of Release, Discharge from Active Duty forms or VA-verified Application for Health benefits may be used as verification of SSN for homeless veterans. Upon receipt of a VAMC referral, EOHLC will enter the data about the participant into the EOHLC VASH database, as well place the veteran on its statewide waiting list. EOHLC will then refer the veteran to its appropriate RAA. Once the referral is made, the RAA will complete verification of the veteran's voucher eligibility status, issue the VASH voucher, and perform a standard voucher briefing.

The EOHLC VASH Coordinator will make every effort to notify RAAs of VASH referrals within a maximum of two working days. The VAMC can informally notify the RAAs of pending referrals, so that RAA's VASH staff can tentatively establish a date and time to screen for eligibility, voucher issuance, and briefing. However, these activities cannot take place unless and until EOHLC has received the referral information directly from the VAMC and formally notified the RAAs to proceed.

## 25.4 VASH VOUCHER ELIGIBILITY

After the VAMC has performed a clinical eligibility screening for the VASH program, has referred a veteran to EOHLC's VASH Coordinator, and the veteran's name has been entered onto the waiting list, the RAA will be asked to perform a HUD-VASH eligibility screen. HUD-VASH voucher eligibility is limited to only two criteria, and the RAA must issue a voucher to any referral that meets these two requirements:

- Income eligibility (up to 80% of AMI for the household size), in accordance with 24 CFR 982.201.
- Lifetime registration under state sex offender registration programs. Immediately upon issuing the voucher, the RAA should perform a CORI check on the veteran and all members over 18 in the veteran's household. If the CORI indicates that the veteran meets the standard for placement on the lifetime registry of sex offenders, the voucher will be immediately terminated. If a member of the veteran's household is determined to meet the sex offender status, that person will not be allowed to remain with the household.

When new family member members are added after the veteran is a participant, regular EOHLC screening criteria apply.

#### **25.4.1 Income Determination at Eligibility**

In order to ensure that homeless veterans are not excluded from participation in the HUD-VASH program because of their VA service-connected disability benefits, the RAA must determine the applicant's annual income for purposes of income eligibility by excluding all VA service-connected benefits received by the HUD-VASH applicant. This special income exclusion (or waiver) only applies to the definition of annual income for purposes of determining income eligibility. If the HUD-VASH applicant now qualifies as low-income under this alternative method, the RAA must still include the VA service-connected benefits when calculating the family's total tenant payment (TTP).

Because there needs to be a monthly housing assistance payment (HAP) in order to enter into a HAP contract on behalf of a tenant-based voucher family this waiver may only be implemented in areas where the family's TTP is less than the applicable payment standard. Additionally, the family would need to select a unit with a gross rent that is above the family TTP.

In project-based VASH, the RAA must determine the TTP for the family to be less than the gross rent, meaning that the PBV unit will be eligible for a monthly HAP, if the project is either on the grounds of a VA facility or there are VASH supportive services provided on site.

### **25.5 VOUCHER ISSUANCES AND BRIEFINGS**

HUD-VASH vouchers must have an initial search term of at least 120 days. This applies to the search term at both initial issuance and moves with assistance. Any extensions, suspensions, and progress reports will follow the MTW 5.5.2 Extensions of Voucher Term policy. Vouchers will be issued after attendance at a mandatory voucher briefing session which may be arranged with the VAMC in group settings.

### **25.6 TENANT AUTHORIZATION TO RELEASE INFORMATION**

In addition to the MTW Authorization to Release form, the veteran must sign the VASH Tenant Authorization to Release Information form at the initial briefing and at each annual reexamination. This form will allow the RAA to share information about all voucher-related activities related to the veteran with the veteran's case manager, as well as allowing the case manager to share information with the RAA about those matters that may have an impact on the veteran's housing status.

### **25.7 PRIVACY IDENTIFIER**

The RAAs should discuss with their VAMC partner the VAMC's requirements for exchanging personally identifiable written/fax/email information about a veteran of a private nature. This decision should be made jointly between the VAMC and the RAA.

### **25.8 INELIGIBLE HOUSING EXCEPTION**

HUD-VASH families will be permitted to live on the grounds of a VA facility in units developed to house homeless veterans. Therefore, 24 CFR 982.352(a)(5), which prohibits units on the physical grounds of a medical, mental, or similar public or private institution, is waived for that purpose only.

### **25.9 INITIAL INSPECTION**

After the issuance of the VASH voucher, and upon receipt of an RFTA, the RAA's inspection staff should make every effort to fast-track the inspection process. This may mean making some adjustments in the normal inspection schedule, for both initial and any required reinspections. EOHLC wants to assure that this particular population of homeless veterans is afforded the opportunity to move into a suitable unit as soon as possible.

### **25.10 INITIAL LEASE TERM**

Initial lease terms may be less than one year for HUD-VASH participants. This does not apply to PBVs.

### **25.11 CASE MANAGEMENT & SUPPORTIVE SERVICES REQUIREMENTS**

A condition of eligibility for a HUD-VASH voucher is that the VASH participant must receive case management services as verified by the VAMC. In general, the VAMC responsibilities include:

- Screening homeless veterans to determine eligibility for the HUD-VASH program as established by Veteran's Affairs national office.
- Referrals of homeless veterans to EOHLC.
- Assisting veterans with the PHA application and assisting the veteran family with obtaining needed PHA documentation to ensure rapid voucher issuance.
- Providing case management and supportive services to potential HUD-VASH program participants, as needed, prior to PHA issuance of rental vouchers.
- Providing housing search assistance to HUD-VASH participants with rental vouchers.
- Identifying the social service and medical needs of HUD-VASH participants and providing, or ensuring the provision of, regular ongoing case management, outpatient health services, hospitalization, and other supportive services, as needed, throughout this initiative.
- Maintaining records and providing information for evaluation purposes, as required by HUD and Veterans Affairs.

A HUD-VASH family's HCV assistance must be terminated if the family refuses, without good cause, to participate in required case management as determined by the VAMC.

### **25.12 VASH PARTICIPANT NO LONGER NEEDS CASE MANAGEMENT**

If the VAMC determines that the VASH participant family no longer requires cases management, this is not grounds for termination. With explicit EOHLC approval, the RAAs may offer the family continued HCV assistance through one of its regular vouchers and free from the HUD-VASH voucher for another eligible family referred by the VAMC. If the RAA does not have vouchers to offer, as determined by EOHLC, the family will retain the HUD-VASH voucher.

### **25.13 RIGHT TO MOVE FROM VASH PROJECT-BASED UNIT WITH TENANT-BASED ASSISTANCE**

At the end of a full year of assisted tenancy in a project-based HUD-VASH unit and upon referral by the applicable VAMC, a participant in good standing may request a tenant-based HUD-VASH voucher in order to move to a unit of their choice with continued assistance. This is referred to as a voluntary opt-out. If there is no tenant-based HUD-VASH voucher available, the participant will be placed on a list to wait until such voucher is available.

### **25.14 HQS INSPECTIONS**

To expedite the leasing process, the RAA may pre-inspect available units that veterans may be interested in leasing, in order to maintain a pool of eligible units. If a VASH family selects a unit that passed a HQS inspection (without intervening occupancy) within 90 days of the date of the Request for Tenancy Approval

(form HUD-52517), the unit may be approved, provided that it meets all other conditions under 24 CFR 982.305. However, the veteran must be free to select their unit and cannot be steered to these units.

## **25.15 ABSENCE FROM UNIT**

A VASH participant may be absent from the unit for a maximum of six months, provided their case manager provides a written statement to the RAA indicating that this absence is required for therapeutic reasons and indicating a likely return date. A copy should also be sent to the veteran's landlord. This notice should not include any personal information about the circumstances necessitating this absence. During this period, the tenant must continue to pay their share of the rent and the RAA will do likewise.

### **25.15.1 Recertifications During Absence from Unit**

If the veteran is scheduled for an annual reexamination during an absence from the unit, the RAA should make sure to send the veteran's case manager all the required notifications well in advance of the required completion date. It will be the case manager's responsibility to obtain all the necessary documentation from the veteran in order to complete the reexamination. In exceptional circumstances where this activity would not be possible, the RAA should recertify using the same information from the prior year and make all adjustments retroactively upon the veteran's return to the unit.

## **25.16 PORTABILITY**

VASH veterans are free to move to other communities, both within Massachusetts and to other parts of the country, provided there is a VASH VAMC that will agree to accept the veteran onto their VA-VASH program. This decision is made exclusively by the VAMC, not EOHLC or its RAA. See [VASH & Portability](#).

### Within Massachusetts – to Another RAA

EOHLC VASH veterans may move to any part of the Commonwealth, provided all parties agree that the VASH veterans will receive case management services from any of EOHLC's partner VAMCs serving Massachusetts veterans (Bedford [Bedford VAMC, Lowell CBOC, Haverhill CBOC], Northampton [Pittsfield CBOC], Providence, RI [Hyannis CBOC], Boston [Causeway St. CBOC and Brockton CBOC]), and the community to which they want to move is within a participating partner EOHLC VAMC's catchment area. EOHLC's appropriate RAA will assume all leasing activities and VASH reporting requirements. The issuing RAA must notify the EOHLC VASH Coordinator, by email with a copy to the receiving RAA, when a VASH veteran moves to another RAA's region, noting the effective date of the transfer and any other information required to comply with HUD and EOHLC transfer reporting criteria.

### Within Massachusetts – to Another Massachusetts VASH PHA

See policies on [VASH & Portability](#) in the Portability chapter.

### Out-of-State

See policies on [VASH & Portability](#) in the Portability chapter.

## **25.17 TERMINATIONS AND APPEALS**

VASH vouchers are only awarded when the VASH participant agrees to comply with case management services as provided through the VAMC. If the VAMC service provider has terminated the participant's case management services due to the VASH participant's failure to comply with VASH program requirements, then the rental subsidy voucher will also be terminated and the termination will not be reviewable by EOHLC or the RAA. The RAA must then notify the participant that the RAA is mandated to terminate the VASH voucher effective 30 days from the date of notification and the rental subsidy will stop at that time.

Each VAMC must establish a multistep process for terminating a participant from VASH, including a right to appeal the VAMC's determination before the VAMC finalizes the determination. At a minimum, this multistep process must comply with the requirements of the HUD-VASH Operating Requirements published in Volume 77, Number 57 of the Federal Register on March 23, 2012, the supplement to the HUD-VASH Operating

Requirements published in the Federal Register on May 6 and 19, 2008, and 24 CFR 982.554 or 982.555, as applicable. When the participant has exhausted all levels of the VAMC appeal process, the case manager must notify the RAA that the participant has been terminated from the VASH program.

For terminations not initiated by the VAMC, VASH participants are subject to termination and appeal processes under the same conditions as all other HCVP participants. (For example, the RAA may initiate a termination for a program violation such as engaging in criminal activity, program fraud, or serious lease violations.) The provisions of [Grounds for Termination of Assistance](#) are applicable.

## **25.18 DEPLOYMENT**

Periodically, a VASH veteran may be deployed for active duty for a maximum 12-month period of time. The VASH voucher should be frozen for this period of time and the lease and contract terminated, unless the veteran will have remaining family residing in the household.

There may be some instances where the veteran may arrange for family or friends to care for their children, with full rights of guardianship. These arrangements will be approved by the case manager, and the owner shall be notified of the temporary change in household composition. In these circumstances, temporary family or other approved persons serving in this capacity will be treated as analogous to a “live-in aide” and their income will not be counted toward the household’s overall income. When the veteran returns from the deployment, these persons will have no right to the voucher, unless the veteran elects to make them a full-time member of the household and the owner also approves, in which case their income would be included.

When a veteran is deployed, their income will be increased. Immediately prior to the deployment, the veteran should re-verify their current household income, establishing their monthly rent contribution for the year they are deployed. If the veteran will have other family members residing in their unit while he or she is away, the veteran will still be responsible for their share of the rent. Because the increased income during the 12-month deployment will stop upon their return from active duty there will be no consideration of the increased deployment pay level for purposes of an interim reexamination. Accordingly, there will be no need to make an adjustment to the tenant rent share based on this deployment pay level increase. It will be necessary to perform the annual reexamination of income when the veteran returns; however, EOHLC will be flexible in the resetting of the annual reexamination calendar.

## **25.19 OTHER VASH REQUIREMENTS**

### VASH Participant: Perpetrator of Domestic Violence

In accordance with Notice PIH 2017-08, for HUD-VASH vouchers, when the veteran is the perpetrator of domestic violence, dating violence, sexual assault, or stalking, the survivor must continue to be assisted. Upon termination of the perpetrator’s HUD-VASH voucher, the survivor should be given a regular HCV if one is available (upon approval by EOHLC), and the perpetrator’s HUD-VASH voucher should be used to serve another eligible family. If a regular HCV is not available, the survivor will continue to use the HUD-VASH voucher, which must be issued to another eligible family upon the voucher’s turnover.

## **25.20 VMS REPORTING**

HUD-VASH vouchers are administered in accordance with HUD-VASH notices. The VASH Vouchers are monitored in VMS separately from all other tenant-based vouchers.

# CHAPTER 26 : TARGETED PROGRAMS

## 26.1 NED – DESIGNATED HOUSING AND ONE-YEAR MAINSTREAM PROGRAM

### 26.1.1 Overview

The Designated Housing program (DSG) assists non-elderly families where either the head, spouse, or co-head is disabled. The One-Year Mainstream Housing Program (MS1) provides Section 8 housing assistance to very low-income non-elderly families with disabilities.

NED (MS1 and DSG) vouchers are subject to MTW policies.

### 26.1.2 Eligibility

At least one person in the household must have a disability. The disabled household member must be the head of household, co-head, or spouse. A household where a child under the age of 18 is the only family member with a disability is not eligible for this program.

The RAAs will verify an applicant's disability status for purposes of determining program eligibility in accordance with [CHAPTER 6](#).

### 26.1.3 Waiting List Management and Selection

New increments of targeted vouchers must be issued to the target population specified in the Notice of Funding Availability. Upon turnover, the RAAs will issue NED turnover vouchers to eligible, non-elderly disabled households selected from their regional standard HCV waiting list.

If a NED applicant moves out of the initial RAA's region, EOHLC must be notified and the allocation of vouchers will be adjusted between the initial and receiving RAA in order to prevent over-issuance of NED vouchers.

### 26.1.4 Services

Each RAA must provide applicants with housing search assistance that includes, at a minimum: a list of available units in the area. Applicants may utilize the RAA's Housing Consumer Education Center resources that include listings of available units, a computer to access listings on the internet, local newspapers, and a telephone.

## 26.2 FIVE-YEAR MAINSTREAM HOUSING PROGRAM (MS5)

### 26.2.1 Overview

The Mainstream Five Housing Program (MS5) provides Section 8 housing assistance to very low-income families that include a person with disabilities who is at least 18 and less than 62 years of age. Upon turnover, a MS5 voucher must be reissued to the next family that includes at least one non-elderly (at least 18 and less than 62 years of age) person with disabilities.

As of FY 2025, MS5 vouchers, even though they are not technically classified as NED vouchers, will utilize MTW policies (including FSS MTW policies).

### 26.2.2 Eligibility

#### 26.2.2.1 Disability Status

This program serves very low-income families that include a person with disabilities who is at least 18 and less than 62 years of age.

The RAAs will verify the family's disability status for purposes of determining program eligibility. See [CHAPTER 6](#).

### 26.2.3 Waiting List Management and Selection

The RAAs will issue MS5 turnover vouchers to eligible, disabled households selected from their regional

standard HCV waiting list.

If an MS5 applicant or participant moves out of the initial RAA's region, EOHLC must be notified and the allocation of vouchers will be adjusted between the initial and receiving RAA in order to prevent over-issuance of MS5 vouchers.

#### **26.2.4 Services**

Each RAA must provide applicants with housing search assistance that includes, at a minimum, a list of available units in the area. Applicants may utilize the RAA's Housing Consumer Education Center resources that include listings of available units, a computer to access listings on the internet, local newspapers, and a telephone.

### **26.3 MAINSTREAM 2018 (MS2018)**

#### **26.3.1 Overview**

MS2018 vouchers are subject to MTW policies.

#### **26.3.2 Eligibility**

Vouchers must be used to assist non-elderly persons with disabilities and their families. The non-elderly person with disabilities must be at least 18 years of age and less than 62 years of age. The eligible household member does not need to be the head of household. A household where a child under age 18 is the only family member with a disability is not eligible for this program.

The RAAs will verify an applicant's disability status for purposes of determining program eligibility in accordance with [CHAPTER 6](#).

#### **26.3.3 Waiting List Management and Selection**

New increments of targeted vouchers must be issued to the specific target population in the NOFA. Upon turnover, the RAAs will issue MS2018 turnover vouchers to eligible, non-elderly disabled households selected from their regional standard HCV waiting list.

For MS2018 vouchers, assistance is provided to the following populations<sup>1</sup>, in the order listed below:

1. Qualifying applicants who are in institutional or other segregated settings
2. Qualifying applicants who are homeless

*Institutional or other segregated settings include, but are not limited to:*

- Congregate settings populated exclusively or primarily with individuals with disabilities.
- Congregate settings characterized by regimentation in daily activities, lack of privacy or autonomy, policies limiting visitors, or limits on individuals' ability to engage freely in community activities and to manage their own activities of daily living.
- Settings that provide for daytime activities primarily with other individuals with disabilities.

*Homeless means:*

- An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - 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.
  - An individual or family living in a supervised publicly or privately operated shelter designated

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<sup>1</sup> As defined in HUD Notice of Funding Availability # FR-6100-N-43.

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).

- 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.
- An individual or family who will imminently lose their primary nighttime residence, provided that:
  - The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance.
  - No subsequent residence has been identified.
  - The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing.
- Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
  - Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 USC 5732a), section 637 of the Head Start Act (42 USC 9832), section 41403 of the Violence Against Women Act of 1994 (42 USC 14043e-2), section 330(h) of the Public Health Service Act (42 USC 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 USC 2012), section 17(b) of the Child Nutrition Act of 1966 (42 USC 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 USC 11434a).
  - Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance.
  - Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance.
  - Can be expected to continue in such status for an extended period of time because of chronic disabilities; chronic physical health or mental health conditions; substance addiction; histories of domestic violence or childhood abuse (including neglect); the presence of a child or youth with a disability; or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment.
- Any individual or family who:
  - 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.
  - Has no other residence.
  - Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

#### **26.3.4 Support Services**

At the briefing, each applicant will be offered a list of contacts at the human service agencies in their region. This list should include staff that can:

- Assist in identifying supports for individuals with psychiatric disabilities including those who have mental health illnesses but may not be eligible for DMH programs.
- Assist in identifying supports for individuals with mental retardation including community-based

supports.

- Assist in identifying detoxification, treatment, and support programs for people with substance abuse problems.
- Make referrals to resources that support people with HIV/AIDS including housing search services, specialized health services, support groups, meals programs and others.
- Assist in providing referrals for vocational rehabilitation programs for individuals with any type of disability who would like to go to work.
- Direct individuals to home care assistance, personal care assistance, home modifications, and independent living supports.

Participants will be encouraged to review the list and to contact any agency if they feel they need or want any support services. The RAAs will use the list as needed to make referrals if requested by participants and also to obtain advice from a human service professional if needed.

### Housing Search

Each RAA must provide applicants with housing search assistance that includes, at a minimum: a list of available units in the area. Applicants may utilize the RAA's Housing Consumer Education Center resources that include listings of available units, a computer to access listings on the internet, local newspapers, and a telephone.

## **26.4 FAMILY UNIFICATION PROGRAM**

### **26.4.1 Overview**

The Family Unification Program (FUP) is a collaborative effort between EOHLC and the Department of Children and Families (DCF). The FUP targets:

- Families with children in placement who have substantially complied with all the DCF service plan tasks, but do not have permanent or adequate housing to which their children can be returned,
- Families for whom lack of adequate housing is the primary factor in the threat of or imminent placement of the family's child, or children in out of home care,
- Survivors of domestic violence with their children who have not secured permanent, standard, replacement housing, and
- Youth ages 18 to 24 who are homeless or at risk of being homeless, those who left foster care at age 16 or older, or those who are within 90 days of leaving foster care.

All applicants must be referred by DCF and have an open DCF case at the time of referral, at the time of application, at the time of selection, and when the voucher is issued.

FUP vouchers are non-MTW vouchers to which MTW efficiencies (including FSS policies) are applied.

### **26.4.2 Eligibility**

A FUP-eligible family is one that:

- DCF has certified is a family for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care, or in the delay of discharge of a child or children, to the family from out-of-home care; and
- Has substantially complied with all DCF service plan tasks and the lack of adequate housing is either the only remaining barrier to unification or will be the primary cause for imminent placement of the children in out of home care; and
- The RAA has determined is eligible for Section 8 rental assistance.

A FUP-eligible youth is defined as:

- A youth aged 18 to 24 who is homeless or at risk of being homeless, who left foster care at age 16 or older, or who is within 90 days of leaving foster care. For the purpose of defining “at risk of being homeless,” EOHLC uses the definition of at risk of homelessness at 24 CFR 576.2; and
- That the RAA has determined is eligible for Section 8 rental assistance.

#### Lack of Adequate Housing

Lack of adequate housing means one or more of the following:

- A family or youth is living in substandard or dilapidated housing.
- A family or youth is homeless.
- A family or youth is in imminent danger of losing their housing. A family or youth is considered to be in imminent danger of losing their housing if the family or youth will be evicted within a week from a private dwelling unit, no subsequent residence has been identified, and the family or youth lacks the resources and support networks needed to obtain housing.
- A family or youth is displaced by domestic violence.
- A family or youth is living in an overcrowded unit.
- A family or youth is living in housing not accessible to the family’s disabled child or children, or to the youth, due to the nature of the disability.

#### Substandard Housing

A family or youth is living in substandard housing if the unit:

- Is dilapidated (“dilapidated” means the unit does not provide safe and adequate shelter, and in its present condition endangers the health, safety or well-being of a family or youth, or the unit has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may involve original construction, or they may result from continued neglect or lack of repair, or from serious damage to the structure).
- Does not have operable indoor plumbing.
- Does not have a usable flush toilet inside the unit for the exclusive use of a family or youth.
- Does not have a usable shower or bathtub in the unit for the exclusive use of a family or youth.
- Does not have electricity or has inadequate or unsafe electrical service.
- Does not have a safe or adequate source of heat.
- Should, but does not have a kitchen.
- Has been declared unfit for habitation by an agency or unit of government.

Applicants living in substandard housing must provide certification from a unit or agency of government that the applicant’s unit has one or more of the deficiencies listed above or the unit’s condition is as described above.

#### Homeless

A “homeless family” includes any person (including a youth) or family that lacks a fixed, regular, and adequate nighttime residence and has a primary nighttime residence that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing).
- An institution that provides a temporary residence for persons intended to be institutionalized.
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

Homeless applicants who meet the requirement for “imminent danger of losing their housing” must provide the

following:

- Documentation from an appropriate source (e.g. present or prior landlord, unit or agency of government, social service agency) that the applicant is in imminent danger of losing housing or has lost housing and is temporarily doubled up.
- If homelessness is due to fire, and a member of the household caused or contributed to the fire due to negligence or an intentional act, the family is not eligible for a preference.

Applicants who meet the above criteria for “Homeless” must provide certification of homeless status from a public or private facility that provides shelter for such households, or from the local police department or social service agency.

Applicants who are homeless due to residing in a transitional housing program must provide a letter from the transitional program’s sponsoring agency documenting the applicant’s participation and readiness to maintain an independent tenancy. If an applicant reaches the top of the waiting list prior to completing the transitional program, they will be frozen upon selection from the waiting list until such time as they successfully complete the program or choose to leave the program. The applicant will then be issued the next available voucher if they are eligible.

#### Displaced by Domestic Violence

A family or youth is displaced by domestic violence if:

- The family or youth has vacated a housing unit because of domestic violence; or
- The family or youth lives in a housing unit with a person who engages in domestic violence, or lives in a housing unit whose location is known to a person who has engaged in domestic violence, and moving from such housing unit is needed to protect the health or safety of the applicant family or youth.

“Domestic violence” includes felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim, by a person with whom the survivor shares a child in common, by a person who is cohabitating with or has cohabitated with the survivor as a spouse, by a person similarly situated to a spouse of the survivor under the domestic or family violence laws of Massachusetts, or by any other person against an adult or youth survivor who is protected from that person’s acts under the domestic or family violence laws of Massachusetts.

For an applicant to qualify under this category the actual or threatened violence must have occurred recently or be of a continuing nature and the applicant must certify that the person who engaged in such violence will not reside with the applicant family.

#### Living in an Overcrowded Unit

A family or youth is considered to be living in an overcrowded unit if:

- The family is separated from its child (or children) and the parent(s) are living in an otherwise standard housing unit, but, after the family is re-united, the parents’ housing unit would be overcrowded for the entire family and would be considered substandard; or
- The family is living with its child (or children) in a unit that is overcrowded for the entire family and this overcrowded condition may result in the imminent placement of its child (or children) in out-of-home care.
- The youth is living in a unit that is overcrowded.

DCF occupancy standards will be used to determine whether the unit is overcrowded.

### **26.4.3 Outreach & Referrals**

DCF and EOHLC will periodically conduct training sessions for all DCF staff to inform them of the purpose of the program, the availability of subsidy, and how to make referrals.

The RAAs will notify the DCF Central Office when it has FUP vouchers available to issue.

#### DCF Area Office Referrals to the FUP

DCF Area Offices will consult with the DCF Central Office before referring applicants to the FUP program. The DCF Central Office will ensure that the applicants being referred are FUP-eligible and then forward the Referral Form/Certification of Eligibility to EOHLC's appropriate RAA. The Central Office may also make referrals directly.

#### Housing Agency Referrals to DCF

If a Section 8 applicant appears to be FUP-eligible, the RAAs will refer the applicant to the DCF Central Office. DCF Central Office staff will make the referral if they are able to confirm FUP eligibility.

### **26.4.4 Waiting List Management & Selection**

Regional waiting lists are maintained by the RAAs. The waiting list will remain open for the purpose of accepting referrals only for families that DCF has certified are eligible to participate in the FUP.

The RAAs are responsible for a majority of admissions functions, including but not limited to receiving referrals from DCF, entering data, maintaining and updating the waiting list, and mailings to applicants.

Due to limited availability and low turnover of FUP vouchers, referrals are received and placed on the waiting list only when FUP vouchers are available to issue. Applicants will be placed on the FUP waiting list by the date and time the referral is received. If the waiting list is open for EOHLC's HCV program, the applicant will also be placed on that list if they are not already on it. If a referral is received by fax or email, the date/time that the fax was received or email was sent will be used when entering the applicant onto the waiting list. If the referral is not faxed or emailed, it must be date-/time-stamped by the RAA. Incomplete referrals will be returned to the DCF by the RAA. An applicant will not be placed on the FUP waiting list until the referral is complete. If a RAA receives a referral for an applicant who lives out of its region, the referral should be returned to the referring DCF office with instructions on where it should be sent.

#### Residency Preference

A regional residency preference for selection will be applied to all FUP applicants. The residency preference areas are the administrative areas of the RAAs.

Applicants are assigned a regional designation based on the address provided in the referral form.

If an applicant family is living in a shelter or other temporary residence, the location of their last permanent residence may be used for the purpose of establishing a residency preference. All applicant requests for a change of regional designation must be made in writing.

#### Selecting Applicants

Applicants will be selected in order by date of application with a regional ranking preference applied. When a FUP subsidy is available in any regional EOHLC jurisdiction, the first eligible applicant in that region will receive the subsidy. If there is no eligible applicant in that region, the RAAs will inform the DCF Central Office of the availability of a subsidy and request a referral. DCF and the RAA will work closely regarding the disposition of all applications.

Any applicant who has been on the waiting list for more than 60 days will require re-verification of FUP-eligible status from DCF Central Office prior to selection. If an applicant becomes ineligible while they are on the waiting list, the RAA will remove the applicant from the FUP waiting list and inform the applicant, in writing, of the denial by DCF and of their right to contact DCF for further information. The applicant will not be removed from any other waiting list that they may be on.

If the applicant is FUP-eligible, the RAA will select the applicant and require that they complete a detailed Section 8 application. The RAA will perform a standard Section 8 eligibility check, as described in [CHAPTER 4](#). Verification of preference/eligibility will be required in accordance with this plan.

When verification of eligibility is complete, the RAA will conduct an applicant briefing and issue a FUP voucher.

DCF staff is encouraged to attend all Section 8-related functions with their clients and help them locate suitable and safe housing.

The RAA will remain in close contact with the DCF Central Office regarding the status of each FUP applicant throughout this process.

### **26.4.5 Transfers and Portability**

#### Moves Within Massachusetts

If a FUP applicant moves out of the initial RAA's region, the applicant must be absorbed by the receiving RAA with a FUP voucher when one becomes available. If a FUP voucher is not available, the receiving RAA must bill the issuing RAA until such time as a FUP voucher is available. This procedure will prevent over-issuance of FUP subsidies and will maintain the regional allocation.

#### Moves Out of State

In order for DCF to remain involved with the families accepted to the FUP, portability out-of-state will not be permitted in the first year. On a case-by-case basis and in consultation with the DCF domestic violence unit, exceptions may be made for applicants admitted due to domestic violence.

### **26.4.6 Appeals**

The RAAs are responsible for defending their eligibility decisions, pertaining to the family's eligibility for FUP Section 8 rental assistance. Where an applicant's eligibility is denied, informal review procedures will be utilized and shall be as set forth in [Informal Reviews](#).

The DCF is responsible for defending its family eligibility determinations and a similar informal review procedure will be utilized.

### **26.4.7 Ongoing Considerations**

The agency and individuals carrying primary responsibility for the provision of ongoing services to the family will be responsible to identify and access needed appropriate support services. The DCF will remain involved with families accepted to the program for a period of between six months and one year from the date of occupancy in order to provide supportive services and ensure that family stability is maintained in the new dwelling.

All FUP subsidies will be issued to other FUP-eligible applicants upon turnover.

The RAAs will participate in all required evaluations and will be prepared to maintain additional data on these clients, as may be required by HUD and/or DCF.

After a subsidy is issued, DCF will inform the RAA of any changes in the family's situation or composition, such as the permanent removal of children from the household.

### **26.4.8 Affirmatively Furthering Fair Housing**

EOHLC will administer its HUD Family Unification Program in accordance with all applicable Fair Housing and Equal Opportunity laws, HUD's Limited English Proficiency (LEP) guidelines, and in such a manner as to affirmatively further fair housing.

## **26.5 FAMILY UNIFICATION – ADOLESCENT OUTREACH PROGRAM**

### **26.5.1 Eligibility**

A youth aged 18 to 24 who is homeless or at risk of being homeless, who left foster care at age 16 or older, or who is within 90 days of leaving foster care. For the purpose of defining "at risk of being homeless," EOHLC uses the definition of at risk of homelessness at 24 CFR 576.2.

Applicants must meet eligibility guidelines and be young adults ages 18 to 24 who:

- Are leaving DCF custody and not returning home

- Have left DCF custody for independent living and are returning for Outreach Program support.
- Have signed a Voluntary Placement Agreement with DCF and will remain in agency care while pursuing their educational/vocational goals.

In addition to meeting one of the above eligibility criteria, young adults must:

- Be employed or actively seeking employment or have an income which is sufficient to pay the balance of the subsidized rent.
- Agree to participate in the Outreach Program.
- Meet at least weekly with an Outreach worker to enhance money and home management skills, job maintenance skills, problem solving, and decision-making skills, etc.

Applicants must also meet Section 8 eligibility requirements including but not limited to income, eligible immigration status, and CORI status.

### **26.5.2 Referrals**

The DCF AOP Coordinator will make all referrals. Referrals will be placed on the FUP waiting list.

### **26.5.3 Portability**

Portability and moves out of state will not be permitted.

### **26.5.4 Program Time Limit**

By law, a FUP voucher issued under this program may only be used to provide housing assistance for the youth for a maximum of 36 months. Due to current EOHLC HCV program preferences, youth assisted under the FUP-AOP cannot transition to its Section 8 HCV program at the end of the 36-month period. If program participants are not ready to assume the full costs of independence at the 36-month limit, DCF AOP staff will facilitate the transition of program participants at the end of this period to a more supportive setting.

## **26.6 HOUSING OPTIONS PROGRAM**

### **26.6.1 Overview**

The Housing Options Program (HOP) provides rental assistance and supportive services to disabled persons primarily in the greater Boston area who are homeless or at risk of homelessness. HOP is a collaborative effort of EOHLC and various departments and offices under the Executive Office of Health and Human Services (EOHHS).<sup>2</sup> Participating EOHHS agencies commit funds to support the lead service agency, JRI Health, which provides all applicant referrals and coordination of services for program participants.

HOP is an integral part of a continuum of care that provides permanent housing for homeless persons with disabilities who are ready to live independently. HOP is targeted to homeless persons moving out of transitional housing in order to make beds available within the homeless service system. This unique program combines 345 Section 8 vouchers with supportive services.

- Priority 1: Homeless disabled persons in transitional housing programs
- Priority 2: Homeless disabled persons in shelters, streets, or places not meant for human habitation
- Priority 3: Otherwise homeless disabled persons

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<sup>2</sup> Departments and offices under EOHHS include the Department of Developmental Services (DDS), the Department of Mental Health (DMH), the Department of Public Health (DPH), the Executive Office of Elder Affairs (EOEA), the Department of Veteran's Services (DVS), the Massachusetts Rehabilitation Commission (MRC), and the Department of Children and Families (DCF).

For the purposes of the HOP Administrative Plan, an agency that is directly responsible for the provision of supportive services to a HOP participant is referred to as a “vendor.” The vendors involved in HOP currently include: DMH, DDS, DPH-BSAS, MRC, HomeStart, EOEA, MassHealth, and JRI.

#### Interagency Advisory Team

The Interagency Advisory Team (IAT) meets as needed and consists of representatives of EOHLIC, participating EOHHS agencies, HomeStart, JRI Health (JRI), Metro Housing|Boston, MassHousing, and representatives of non-profit housing and service agencies working with homeless people with disabilities. The IAT is responsible for the management of support services funding, the development of HOP policies and procedures, and the general oversight of the program.

DMH, on behalf of all participating funding agencies, serves as the key agency responsible for the procurement and contracting with the Lead Service Agency (LSA). The LSA is responsible for the day-to-day HOP management.

As the LSA, JRI’s overall role is to provide clients with the most direct access to services and housing, and to facilitate successful tenancies. For the majority of HOP participants, JRI conducts outreach, manages referrals, initiates intake and assessment, conducts eligibility screenings, secures housing search and counseling services, and provides overall case coordination, follow-up, and monitoring. JRI works closely with the EOHLIC regional administering agency, Metro Housing|Boston, for housing referral, screening, administration, and placement. After securing housing placement, ongoing stabilization services are provided by a variety of vendors depending on the nature of the disability(ies) and the geographic location selected by the program participant. JRI assures each participant continued access to services via regular contact with vendors providing direct service. During their tenancy, program participants have direct access to JRI to provide them with any assistance they may need in obtaining services or in changing vendors.

### **26.6.2 Eligibility**

All HOP participants must meet each of the program eligibility criteria listed below.

#### **26.6.2.1 Disability Status**

Either the head of household or spouse must have a primary disabling diagnosis in order to be eligible for HOP. Eligible diagnoses include:

- Primary disability of chronic mental illness as defined by eligibility criteria for DMH and eligible to receive services from DMH
- Primary disability which is HIV-related or has an AIDS diagnosis
- Primary disability of substance abuse, and receiving services from HomeStart or eligible to receive services from HomeStart
- Primary disability of developmental disability and eligible to receive services from DDS
- Persons residing in a long-term care facility and eligible for a MassHealth 1915(c) HCBS waiver but were not eligible for Money Follows the Person (MFP)
- Persons residing in a long-term care facility and not eligible for MFP or a HCBS waiver
- Persons living in the community and eligible for and receiving services through a HCBS waiver
- Otherwise disabled persons including people who meet the Section 8 definition of disability and are not currently a client of any state agency, or eligible for the services of any state agency (referred to as otherwise disabled)

#### **26.6.2.2 Homeless or At Risk of Homelessness**

All applicants must be either homeless or at risk of homelessness as defined below. Substandard housing is included as a parameter for consideration as a homeless family.

### **26.6.2.3 Homeless**

A “homeless family” includes any person (including a youth) or family that lacks a fixed, regular, and adequate nighttime residence; and has a primary nighttime residence that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing).
- An institution that provides a temporary residence for persons intended to be institutionalized.
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

### **26.6.2.4 At Risk of Homelessness**

The family must meet all three of the following criteria to be considered “at risk of homelessness”:

- The family is in imminent danger of losing housing or has lost housing and is temporarily doubled up. A family is considered to be in imminent danger of losing their housing if the family will be evicted within a week from a private dwelling unit, no subsequent residence has been identified, and the family lacks the resources and support networks needed to obtain housing; and
- Due to the health or environmental needs of the family there is no appropriate temporary shelter; and
- Placement in another setting would endanger the health or safety of the family or the occupants of the shelter. Health or environmental needs of this type could apply to individuals with demanding medical needs, including: the elderly, the terminally ill, and individuals denied access to shelters due to a life-threatening illness or the need for a barrier-free environment.

Generally, transitional housing is considered by HUD to be of maximum 24-month duration. If an applicant is in transitional housing for a longer period, they must provide the RAA with the following additional information:

- An explanation as to why they have been in transitional housing for an extended period; and
- An explanation of when and under what circumstances they will lose the transitional housing.

Using this information, the RAA will make a determination as to the applicant’s homeless status.

The Massachusetts Alternative Housing Voucher Program (AHVP) is defined as a transitional housing program. Therefore, AHVP participants meet this preference.

### **26.6.2.5 Verification Requirements: Homeless and At Risk of Homelessness**

Homeless applicants who meet the “homeless” criteria must provide certification of homeless status from a public or private facility that provides shelter for such households, or from the local police department or social service agency.

Applicants who are homeless due to residing in a transitional housing program must provide a letter from the transitional program’s sponsoring agency documenting the applicant’s participation and readiness to maintain an independent tenancy. If an applicant reaches the top of the waiting list prior to completing the transitional program, they will be frozen upon selection from the waiting list until such time as they successfully complete the program or choose to leave the program. The applicant will then be issued the next available voucher if they are eligible.

Homeless applicants who meet the “at risk of homelessness” criteria must provide the following:

- Documentation from an appropriate source (e.g. present or prior landlord, unit or agency of government, social service agency) that the applicant is in imminent danger of losing housing, or has lost housing and is temporarily doubled up; and
- Documentation from a physician or other licensed health professional that placement in another setting, such as a temporary shelter, would endanger the health or safety of the applicant or the

occupants of the shelter.

- If homelessness is due to fire, and a member of the household caused or contributed to the fire due to negligence or an intentional act, the family is not eligible for a preference.

#### **26.6.2.6 Substandard Housing**

An applicant is living in substandard housing if the unit:

- Is dilapidated.
- Does not have operable indoor plumbing.
- Does not have a usable flush toilet inside the unit for the exclusive use of the family.
- Does not have a usable shower or bathtub inside the unit for the exclusive use of the family.
- Does not have electricity or has inadequate or unsafe electrical service.
- Does not have a safe or adequate source of heat.
- Should, but does not have a kitchen.
- Has been declared unfit for habitation by an agency or unit of government.

For purposes of meeting “substandard” criteria, “dilapidated” means the unit does not provide safe and adequate shelter, and in its present condition endangers the health, safety or well-being of a family, or the unit has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may involve original construction, or they may result from continued neglect or lack of repair, or from serious damage to the structure.

The presence of lead paint in a building does not cause it to meet the definition of substandard housing.

#### **26.6.2.7 Verification Requirements: Substandard Housing**

Applicants living in substandard housing must provide certification from a unit or agency of government that the applicant’s unit has one or more of the deficiencies listed above or the unit’s condition is as described above.

#### **26.6.2.8 Need for Services**

All applicants must demonstrate a need for the services provided through HOP and be willing to accept those services.

### **26.6.3 Outreach**

The IAT assumes overall responsibility for directing outreach efforts. Each vendor conducts targeted outreach to transitional programs and shelters. Referrals from the general public are also accepted. JRI works with all applicants to ensure that they can conveniently access the program. JRI continually monitors outreach efforts to ensure that vendors are providing adequate assistance to clients in the preparation of the required application and necessary documentation.

### **26.6.4 Waiting List Management, Referrals, and Selection**

The HOP subsidies are allocated, as determined by the IAT, to a vendor committed to providing supportive services to each disability group. It is the responsibility of the IAT to establish a subsidy allocation plan and amend it as necessary.

#### **26.6.4.1 Vendor Waiting List Management**

There is a waiting list for each disability group consisting of prescreening applications collected by each vendor. Each vendor is responsible for establishing the policies and procedures that govern the management of their waiting list. However, applicants who meet the criteria for HOP Priority 1 are given a ranking preference over those who meet the criteria for HOP Priority 2 or 3. Applications will be selected from the vendor waiting list to be placed in the JRI referral pool in order to maintain an adequate number of completed applications in the referral pool.

#### **26.6.4.2 Referrals**

All HOP referrals are assessed for program eligibility by a HOP vendor or a local service provider before being sent to JRI. This assessment includes an evaluation of eligibility for HOP (i.e., housing status, income guidelines, and disability verification) and the completion of an intake assessment form.

JRI is responsible for establishing and maintaining a referral pool of already screened, eligible applicants for whom a completed application<sup>3</sup> and related documentation have been received by JRI and are thus ready for referral to Metro Housing|Boston when a subsidy becomes available. This referral pool will be organized chronologically by date received, within the three priorities. Vendors may consult with JRI to determine how many referrals to keep in the referral pool based upon historical attrition of their clients from the program. Each vendor will attempt to maintain the agreed-upon number of completed HOP applications in the JRI referral pool at any given time. When a subsidy becomes available, an appropriate referral will be made from JRI to Metro Housing|Boston from the JRI referral pool.

Metro Housing|Boston will enter all JRI referrals onto EOHLC's waiting list/admissions tracking system by date/time the referral is received.

#### **26.6.4.3 Selection**

When all eligibility verification is complete a subsidy is issued, all normal Section 8 procedures take place, beginning with a briefing session. Service providers are welcome to attend all Section 8 related functions with their clients and are encouraged to help them locate suitable and safe housing.

#### **26.6.4.4 Selection of the Designated Vendor for an Available Subsidy**

When a subsidy becomes available, JRI is responsible for designating which vendor may use this subsidy and notifying that vendor of the subsidy's availability. However, when a vendor becomes aware of a potential subsidy turnover, they are responsible for notifying JRI immediately.

#### **26.6.4.5 Selection when a Subsidy Becomes Available Upon Turnover**

Within 5 business days of a voucher becoming available, Metro Housing|Boston notifies JRI by fax and phone of this availability. JRI is responsible for notifying the appropriate vendor of this availability. Within four business days of learning of the available voucher, JRI will review the HOP referral pool and determine the next appropriate applicant through the following process:

- JRI will review the referral pool to determine if the designated vendor who will use the available subsidy has any applicants in the pool. If so, the oldest application will be forwarded to Metro Housing|Boston for review within five business days.
- If the designated vendor has no viable applicants in the JRI referral pool, the designated vendor has five business days to submit a referral (i.e. pre-screened application) to JRI. After completing the referral, the designated vendor has five additional business days to submit that referral's completed application to the JRI Referral pool for review. JRI will forward this completed application to Metro Housing|Boston for review within five business days.
- If the designated vendor does not submit a completed application for an eligible candidate to JRI within the ten business days specified above, then JRI will select the oldest application from the JRI referral pool for any vendor who is 100% issued. JRI will forward this application to Metro Housing|Boston for review within five business days.

#### **26.6.4.6 Selection of a Designated Vendor When the Subsidy is "On Loan"**

If the available subsidy is on loan from another vendor, and that vendor is currently 100% issued and would like

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<sup>3</sup> For purposes of the HOP Administrative Plan, a completed application includes: a pre-screening application, intake assessment form, signed Program Participation Agreement, signed CORI release, letter from service provider documenting applicant's housing status, and birth certificate or immigration documentation, and income verification documentation (e.g., letter from Social Security office, employment pay stubs, etc.).

to obtain the subsidy, then the available subsidy is returned to the original vendor at turnover.

If the available subsidy is on loan from another vendor, and that vendor is not fully issued, the available subsidy may continue to be used by the borrowing vendor.

### **26.6.5 Support Services**

Services are coordinated through the members of the IAT with oversight and case coordination provided by JRI.

#### **26.6.5.1 Initial Intake and Assessment**

The vendor or local service agency making the referral is also responsible for conducting an initial intake and assessment during the prescreening process. If necessary, JRI may choose to conduct a subsequent interview to determine the availability of support services. This assessment may include a discussion of past tenancy-related problems and a review of available entitlements and support programs.

#### **26.6.5.2 Housing Search**

All selected participants will receive assistance with locating appropriate housing, initiating contact with property owners, and executing leases. This service is provided through an existing network of housing counseling contracts in the Greater Boston area. JRI is responsible for providing assistance with housing search for: MRC clients, persons living with HIV/AIDS, otherwise disabled persons, some DMH clients as agreed upon between DMH and JRI, and those persons with substance abuse issues through a subcontract with HomeStart. All other vendors, specifically DDS and the remaining DMH, are responsible for conducting their own housing search.

#### **26.6.5.3 Housing Stabilization**

Each vendor is responsible for providing housing stabilization services, such as budgeting, paying bills, lease compliance, and orientation to the community. JRI provides housing stabilization services to HOP participants living with HIV/AIDS, those who are otherwise disabled, and some DMH clients, as agreed upon between DMH and JRI. JRI also provides housing stabilization services to persons who have substance abuse issues through a subcontract with HomeStart. MRC and DDS, as well as the remaining DMH, are responsible for providing housing stabilization services to their consumers.

### **26.6.6 Appeals**

Metro Housing|Boston is responsible for defending its eligibility decisions, pertaining to the person's eligibility for HOP Section 8 rental assistance. Section 8 informal review procedures will be utilized.

JRI and the participating HOP vendors are responsible for making their consumers aware of the grievance procedure employed by that vendor. These grievance procedures should detail a mechanism for defending service eligibility determinations including informal review procedures.

### **26.6.7 Portability**

#### Initial Year In-State Restriction

HOP applicants will be restricted to leasing within the Commonwealth of Massachusetts for their initial year in the program (see [24 CFR 982.353](#)). After the initial year, HOP participants are free to lease outside of the Commonwealth. When such an out-of-state lease occurs, the participant will no longer be considered part of the HOP program and the subsidy will be available to re-issue provided that the receiving agency absorbs the voucher.

#### Transfers

If a HOP applicant or participant moves out of Metro Housing|Boston's region, the receiving RAA will administer the HOP voucher for as long as the participant remains in their region. In order for JRI to coordinate services, Metro Housing|Boston and the receiving RAA must immediately report all transfers to JRI, as well as to EOHLIC on the quarterly report.

When the transferring participant terminates from HOP, the receiving RAA must inform Metro Housing|Boston and JRI.

### **26.6.8 Grant Compliance**

As the official applicant and recipient of HUD funding for HOP, EOHLC maintains ultimate accountability to HUD for the successful administration of HOP including grant implementation and enforcement, as well as the final resolution of procedural and policy-related matters not specifically defined in statute or regulation. EOHLC reserves the right to periodically conduct reviews and audits of participant client files as related to eligibility and housing contracts.

Each participating HOP agency agrees to respond to requests for data and/or information in a timely manner.

#### Reduction or Termination of Subsidies

EOHLC reserves the right to reduce or terminate the number of Section 8 HOP vouchers made available through the HOP program under the following circumstances: 1) program outcomes are not satisfactory; 2) there is not a sufficient demonstrated need for the subsidies; 3) the program is not being administered efficiently or effectively; or 4) other problematic program issues arise.

#### Evaluation & Follow-Up

JRI and other vendors should conduct follow-up evaluations on all clients housed through HOP. The follow-up evaluations review the level of services the clients are receiving, their satisfaction and security in their home, and their ability to meet the terms of the lease, including the ability to financially maintain the unit. During the entire length of the participants' tenancy, they will have direct access to JRI to provide them with any assistance they may need in obtaining services or changing vendors.

JRI is responsible for ensuring that vendors or commissions conduct follow-up on their respective program participants to determine that they are receiving the appropriate level of services and if they are meeting the terms of the lease. JRI is also responsible for notifying the appropriate public or private agencies when services are not provided or are inadequate to meet the need of the client.

Metro Housing|Boston and JRI will participate in all required evaluations and will be prepared to maintain additional data on HOP clients, as required by EOHLC, HUD and/or participating EOHHS agencies.

## **26.7 TENANT-BASED VOUCHER PROGRAM FOR PERSONS WITH HIV/AIDS**

The Tenant-Based Rental Assistance Program (TBRA AIDS) assists individuals and families with HIV/AIDS by providing rental assistance and supportive services. JRI Health, as the lead service agency, provides intake, assessment, housing search, and critical linkages to other service providing agencies throughout the Commonwealth. Supportive services may include assistance finding a suitable apartment; case management; substance abuse/relapse prevention support; coordinating home health services; home-based mental health support; housekeeping assistance; and help arranging respite care, day care, and transportation. All applicants must be referred by the JRI Health staff.

### **26.7.1 Overview**

This program utilizes tenant-based Section 8 vouchers and is administered throughout the Commonwealth by EOHLC's Section 8 RAAs. TBRA AIDS is an integral part of the Commonwealth's housing continuum that provides permanent housing for persons with disabilities.

The Department of Public Health uses Housing Opportunities for Persons with AIDS (HOPWA) funds to support a lead service agency, JRI Health, which provides intake, assessment, and linkages to other service providing agencies throughout the Commonwealth. Persons accepted into the program also receive supportive services from local AIDS service organizations, including housing search, case management, substance abuse and relapse prevention support, mental health support, housekeeping assistance, and assistance in arranging for respite care, day care, and transportation.

### **26.7.2 Eligibility**

#### Disability Status

At least one person in a household must be diagnosed with AIDS or disabled due to HIV. JRI will determine

through a physician's certification that a person meets the eligibility criteria.

#### Supportive Services

All TBRA AIDS applicants must be able to utilize supports and/or services provided by local AIDS service organizations, which will screen applicants and conduct intake interviews.

#### **26.7.3 Outreach**

The RAAs, JRI, and the local AIDS service organizations will all conduct outreach to local AIDS organizations and/or local substance abuse programs to identify eligible applicants for the TBRA AIDS program.

#### **26.7.4 Waiting List Management & Selection**

JRI will accept referrals from the local AIDS service organizations and others. JRI will place these referrals on a TBRA AIDS waiting list specific to each RAA and the corresponding geographic region.

When a TBRA AIDS voucher is available to issue, the RAA will contact JRI for a referral. The RAA will place the referral on the TBRA AIDS waiting list/admissions tracking system by the date and time the referral is received. Incomplete referrals will be returned to JRI.

#### **26.7.5 Services**

Either the local AIDS service organization or JRI, through the Community Housing Innovations Program (CHIP), will provide applicants with housing search assistance.

Each RAA must provide applicants with housing search assistance that includes, at a minimum: a list of available units in the area. Where available, applicants will have access to the RAA's Housing Consumer Education Centers, which provide assistance in housing search and contain listings of available units, a computer to access listing on the Internet, local newspapers, and telephone participants can use during housing search.

#### **26.7.6 Appeals**

The RAAs are responsible for defending its decisions pertaining to the person's eligibility for TBRA AIDS Section 8 vouchers. See [CHAPTER 16](#).

JRI and the local AIDS service organizations are responsible for informing applicants of the grievance procedure employed by their respective agencies. These grievance procedures should detail a mechanism for defending service eligibility determinations including informal hearing procedures.

#### **26.7.7 Portability**

##### Initial Year In-State Restriction

TBRA AIDS applicants will be restricted to leasing within the Commonwealth of Massachusetts for their initial year in the program (see 24 CFR 982.353). After the initial year, TBRA AIDS participants are free to lease outside of the Commonwealth. When such an out-of-state lease occurs, the participant will no longer be considered part of the TBRA AIDS program and the subsidy will be available to re-issue provided that the receiving agency absorbs the voucher.

##### Transfers

If a TBRA AIDS applicant or participant moves out of the initial RAA's region, the applicant or participant must be absorbed by the receiving RAA with a TBRA AIDS voucher if one is available. If a TBRA AIDS voucher is not available, the receiving RAA will temporarily add one TBRA AIDS voucher to its allocation. The initial RAA will simultaneously lose one TBRA AIDS voucher from its allocation. In order for JRI to coordinate services, the initial and receiving RAAs must immediately report all transfers to JRI, as well as to EOHLC on the quarterly report.

When a TBRA AIDS voucher becomes available at the receiving RAA, the receiving RAA must inform the initial RAA and JRI. Both the initial and receiving RAAs will return to their original allocations.

### 26.7.8 Reduction or Termination of Subsidies

EOHLC reserves the right to reduce or terminate the number of Section 8 TBRA AIDS vouchers made available through the TBRA AIDS program, under the following circumstances: 1) program outcomes are not satisfactory; 2) there is not a sufficient demonstrated need for the subsidies; 3) the program is not being administered efficiently or effectively; or 4) other problematic program issues arise.

## 26.8 RAISING THE NEXT GENERATION

### 26.8.1 Overview

The Raising the Next Generation Program (RNG) provides 50 Section 8 vouchers to very-low-income persons responsible for raising grandchildren under the age of 18 in the Metropolitan Boston area. The RNG program is targeted to those families who can live independently within the community, but, due to their unique family composition, may need special support services, designed for both elderly persons and young children, in order to achieve and maintain successful tenancies. The RAA, Metro Housing|Boston, is directly responsible for administering the Section 8 vouchers and connecting participants to supportive services, when necessary and requested.

### 26.8.2 Eligibility

Applicant families must include at least one dependent. For the purposes of the RNG program, a dependent is defined as a person, other than the family head of household or spouse, who is under the age of 18.

For the purposes of the RNG program, the dependent may not be the biological child of the head of household. Adoptive children will not be allowed except for those that are part of a kinship adoption.

<sup>4</sup> Foster children will not be allowed except for those that are kinship care placements within the Massachusetts Department of Children and Families (DCF) system.

To be an RNG eligible family, the head of household must have physical custody of a dependent who will reside with the head of household. The custody must be of an indefinitely extending term. Custody will be established by:

- Permanent legal custody
- Court-appointed custody
- Documented and verified residence with the head of household for at least one year, or since birth (for children under the age of one year).

Custody must be verified by:

- One of the following forms of documentation:
  - Probate court records
  - Juvenile court records
  - Adoption decree
  - Records from DCF regarding foster-adopt/adoption finalization
  - Records from DCF regarding foster care/kinship placement

OR

- *Two or more* forms of the following documentation:
  - Massachusetts Department of Transitional Assistance records

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<sup>4</sup> Kinship adoption is defined as a permanent kinship arrangement under which a relative has become the primary caregiver to a child by legal adoption.

- Social Security Administration records
- Massachusetts Department of Public Health records regarding Mass Health or Medical Security plan
- Tax records
- School records
- Letter from private adoption agency or attorney citing kinship adoption finalization

Those applicant families that are comprised of three or more intact familial generations must be required to provide multiple pieces of documentation.

### **26.8.3 Outreach**

Metro Housing|Boston, through its Housing Consumer Education Center (HCEC), will recruit applicants who are seeking housing counseling or who are referred directly by EOHLC. Once a household has been identified as potentially RNG-eligible, the HCEC staff will send an RNG referral to the leased housing department for placement on the RNG waiting list.

### **26.8.4 Waiting List Management & Selection**

#### Waiting List Management

The RNG waiting list will be maintained as a subset of Metro Housing|Boston’s HCVP Section 8 waiting list/admissions tracking system and will be maintained by Metro Housing|Boston. The date and time of Metro Housing|Boston’s leased housing department’s receipt of the completed referral form from the HCEC will be used when determining the applicant’s position on the RNG waiting list. Due to the limited number of RNG subsidies available, the number of referrals placed on the RNG waiting list will be restricted to 25 while the allocation of RNG vouchers is fully utilized.

#### Selection

Selection will be based on date and time of referral.

Upon selection from the RNG waiting list, Metro Housing|Boston will conduct a complete Section 8 eligibility screening including: completion of a Section 8 application, verification of family composition, household income, eligible immigration status of each household member, and a CORI check on each adult household member. In addition, prior rental assistance participation will be verified to determine if the prior participation ended in good standing.

### **26.8.5 Appeals**

Metro Housing|Boston is responsible for defending its decisions pertaining to the person’s eligibility for RNG Section 8 rental assistance. See [CHAPTER 16](#).

### **26.8.6 Portability**

#### Initial Year In-State Restriction

RNG applicants will be restricted to leasing within the Commonwealth of Massachusetts for their initial year in the program (see [24 CFR 982.353](#)). After the initial year, RNG participants are free to lease outside of the Commonwealth. When such an out-of-state lease occurs, the participant will no longer be tracked as part of the RNG program and the RNG voucher will be available to re-issue provided the receiving agency absorbs the voucher.

#### Transfers

If an RNG applicant or participant moves out of Metro Housing|Boston’s region, the receiving RAA must absorb the participant with an HCVP voucher if one is available. When such an out-of-region lease occurs, the applicant or participant will no longer be tracked as part of the RNG program and the RNG voucher will be available to re-issue provided the receiving RAA absorbs the voucher.

### **26.8.7 Changes in Family Composition**

After a subsidy is issued, but prior to the applicant family leasing, if there is a change in the family composition, it must be reported to Metro Housing|Boston leased housing staff. If the change in the family's situation or composition is the permanent removal of the child(ren) from the household, the family will be denied eligibility and will not be allowed to lease a unit.

If there is a change in the participant family composition that makes the family ineligible for the RNG program after the household has leased a unit under the RNG program, Metro Housing|Boston will make an effort to absorb the current voucher into its conventional Section 8 voucher portfolio. If Metro Housing|Boston is successful at absorbing this subsidy, an RNG voucher will be made available to another RNG-eligible family. If there is no current subsidy available, the participant will retain the RNG subsidy until a regular voucher becomes available.

### **26.8.8 Terminations**

Terminations will be processed in accordance with HUD and EOHLC requirements for the Section 8 HCVP as described in 24 CFR Section 982 Subpart (L) and this Administrative Plan.

### **26.8.9 EOHLC Program Oversight**

EOHLC reserves the right to waive any RNG eligibility criteria and/or RNG program policies if needed. EOHLC also reserves the right to periodically conduct reviews and audits of participant client files as related to eligibility and housing.

### **26.8.10 Reduction or Termination of Subsidies**

EOHLC reserves the right to reduce or terminate the number of Section 8 RNG vouchers made available through the RNG program under the following circumstances: 1) the program outcomes are not satisfactory; there is not a sufficient demonstrated need for the subsidies; 2) the program is not being administered efficiently or effectively; or 3) other problematic program issues arise.

## **26.9 VETERANS HOUSING VOUCHER PROGRAM**

### **26.9.1 Overview**

This program is administered in cooperation with the Department of Veterans Affairs (VA) and assists homeless veterans with disabilities and/or severe psychiatric and/or substance abuse disorders. Services may include housing search assistance; community-based management services and outpatient health services. Not all applicants may receive services. Application is by referral only from the VA Medical Centers (VAMC), the Massachusetts Department of Veterans' Services, and the Department of Veteran's Services provider agencies.

The Veterans' Housing Voucher Program (VHVP) has a limited number of Section 8 vouchers available for very low-income, homeless veterans with disabilities or psychiatric or substance abuse disorders.

VHVP vouchers are subject to MTW policies.

### **26.9.2 Eligibility**

Applicants must meet all of the following:

#### **26.9.2.1 Veteran**

An applicant must be an honorably discharged veteran.

#### **26.9.2.2 Homeless**

An applicant must have been either living in a shelter, in a transitional housing program, or on the street for at least 30 days.

#### **26.9.2.3 Disability or Psychiatric or Substance Abuse Disorder**

An applicant must have a disability which can be verified in accordance with [CHAPTER 6](#); or

Applicants must be diagnosed with either a psychiatric or substance abuse disorder; and  
Applicants must be psychiatrically stable with no incidence of violence within the past year.

#### **26.9.2.4 Verification of Eligibility**

Veterans' service providers are responsible for ensuring that all referrals to the VHVP meet these eligibility criteria at the time of referral. Upon selection from the waiting list, the RAA will verify eligibility for all other Section 8 requirements. Due to the length of time an applicant may be on the waiting list, the RAA may need to reconfirm eligibility with the referring agency.

#### **26.9.3 Outreach & Referrals**

The RAA will conduct outreach to regional Veterans' Services Providers when vouchers are available and there are an insufficient number of applicants on the VHVP waiting list.

Admission to this program is by referral only from the Massachusetts Department of Veterans' Services, the VA Medical Centers, and Department of Veterans' Services provider agencies such as the Veterans Benefits Clearinghouse, Inc. and the New England Shelter for Homeless Veterans. These agencies must refer VHVP-eligible applicants to the appropriate RAA by submitting a "Referral Form/Certification of Eligibility."

#### **26.9.4 Appeals**

Appeal procedures will be utilized as set forth in [CHAPTER 16](#).

#### **26.9.5 Portability**

##### Initial Year In-State Restriction

VHVP participants must reside in Massachusetts for their initial year in the program.

##### Transfers

If a VHVP applicant or participant moves out of the initial RAA's region, the applicant or participant must be absorbed by the receiving RAA with a VHVP voucher if one is available. If a VHVP voucher is not available, the receiving RAA will temporarily add one VHVP voucher to its allocation. The initial RAA will simultaneously lose one VHVP voucher from its allocation.

When a VHVP voucher becomes available at the receiving RAA, the receiving RAA must absorb the participant and inform the initial RAA. Both the initial and receiving RAAs will return to their original allocations. This procedure will prevent over-issuance of VHVP vouchers and will maintain regional allocations. The initial and receiving RAAs must report all VHVP transfers on the quarterly report.

#### **26.9.6 Reduction or Termination of Subsidies**

EOHLC reserves the right to reduce or terminate the number of VHVP vouchers made available through the program under the following circumstances: 1) program outcomes are not satisfactory; 2) there is not a sufficient demonstrated need for the subsidies; 3) the program is not being administered efficiently or effectively; or 4) other problematic program issues arise.

## **26.10 COMMUNITY CHOICE INITIATIVE**

Formerly known as the Boston Consent Decree, this Consent Decree requires appropriate actions to be taken to outreach to the under-served program-eligible Black population in the City of Boston.

## **26.11 HOLYOKE CONSENT DECREE**

This Consent Decree requires appropriate actions to be taken to outreach to the under-served program-eligible Hispanic population in the City of Holyoke.

## 26.12 PROJECT-BASED ASSISTANCE FOR PERSONS LIVING WITH HIV/AIDS

### 26.12.1 Overview

The Project-Based Rental Assistance for Persons Living with HIV/AIDS Program (hereinafter referred to as “PBRA AIDS”) provides Section 8 housing assistance to very low-income persons, who are either HIV positive, have AIDS, or at high risk for HIV infection and would benefit from HIV related counseling and services. This program is administered only in Boston. PBRA AIDS is an integral part of the Commonwealth’s housing continuum that provides permanent housing for persons with disabilities.

Project	Management	AIDS Service Organization	Unit No. & Size
Mass. Ave., Boston	Renwood PWA L.P.	AIDS Action	7 SRO
Edgewood, Roxbury	Renwood PWA L.P.	Dimock	1 3BR, 2 4BR
Walnut, Roxbury	Renwood PWA L.P.	Dimock	8 2BR

Local AIDS service organizations (ASOs) provide intake, assessment, and linkage to other service providing agencies throughout the Commonwealth. Persons accepted into the program also receive supportive services from the ASOs including case management, substance abuse and relapse prevention support, mental health support, housekeeping assistance, and assistance in arranging for respite care, day care, and transportation.

### 26.12.2 Eligibility

#### 26.12.2.1 HIV/AIDS

At least one person in a household must be either HIV positive or diagnosed with AIDS. The ASO is responsible for determining that a person meets the aforementioned eligibility criteria.

#### 26.12.2.2 Supportive Services

All PBRA AIDS applicants must be able to utilize supports and/or services provided by local ASOs, which will screen applicants and conduct intake interviews.

### 26.12.3 Ongoing Outreach

The RAA and the local ASOs will all conduct outreach to local AIDS organizations and/or local substance abuse programs to identify eligible applicants for the PBRA AIDS program.

### 26.12.4 Waiting List Management & Selection

Each ASO will maintain the PBRA AIDS waiting list for their specific project site. When a vacancy becomes available the respective ASO will refer the applicant at the top of their waiting list to the RAA. The RAA will enter the referral onto EOHLC’s waiting list/admissions tracking system by the date and time the referral is received.

### 26.12.5 Appeals

The RAAs are responsible for defending its decisions pertaining to the person’s eligibility for the PBRA AIDS program. Section 8 appeal procedures will be utilized. See [CHAPTER 16](#).

The ASOs are responsible for informing applicants of the grievance procedure employed by their respective agencies. These grievance procedures should detail a mechanism for defending service eligibility determinations including informal hearing procedures.

### 26.12.6 Grant Compliance

Each RAA must ensure that all PBRA AIDS units are filled by other eligible applicants upon turnover.

The RAAs will participate in all required evaluations and will be prepared to maintain additional data on these clients, as required by HUD and/or EOHLC.

EOHLC is responsible for coordinating all contracts and contacts with HUD regarding the PBRA AIDS Program.

## **26.13 FOSTER YOUTH TO INDEPENDENCE INITIATIVE**

### **26.13.1 Overview**

In 2024, EOHLC applied for the Foster Youth to Independence (FYI) Competitive NOFO, which makes Housing Choice Voucher (HCV) financial assistance available to Public Housing Agencies (PHAs) in partnership with Public Child Welfare Agencies (PCWAs). The FYI Competitive initiative is part of the broader FYI program and serves as a means for PHAs to:

- Have additional vouchers on hand while awaiting HUD’s FYI non-competitive funding.
- Access more vouchers beyond what is available through the non-competitive process.
- Facilitate longer-term planning to meet need throughout the year.

EOHLC received 52 vouchers, effective 12/01/2024. EOHLC will use MTW flexibilities for these vouchers, and RAAs will submit data via the MTW HUD-50058 form. To ensure proper tracking, The RAA must record these vouchers under the special program code “FYIC” on Line 2p of the MTW Family Report (HUD-50058 MTW).

### **26.13.2 Eligibility**

Both the FYI competitive and non-competitive programs utilize Family Unification Program (FUP) funding to assist youth. PHAs provide Housing Choice Vouchers for:

- Youth ages 18 to 24 (not yet 25),
- Who have left foster care or are set to leave within 90 days according to a transition plan outline in Section 475(5)(h) of the Social Security Act,
- And they are homeless or at risk of homelessness after age 16.

### **26.13.3 Referrals**

Referrals will come from the Department of Children and Families (DCF), similar to the FUP process. Regional Administering Agencies (RAAs) will receive communication from EOHLC staff to select participants from the waiting list, following standard HCVP protocols.

### **26.13.4 Program Time limit**

The FYI voucher for this demographic can provide housing assistance for up to 36 months.

# CHAPTER 27 : EMERGENCY HOUSING VOUCHER PROGRAM

## 27.1 OVERVIEW

On March 11, 2021, President Biden signed into law the American Rescue Plan (ARP) Act of 2021, which provides over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, state and local governments, individuals, and businesses. Section 3202 of the ARP appropriates \$5 billion for new Emergency Housing Vouchers (EHV), the renewal of those EHV, and fees for the cost of administering the EHV and other eligible expenses defined by notice to prevent, prepare, and respond to coronavirus to facilitate the leasing of the emergency vouchers. The Annual Contributions Contract (ACC) funding increment for EHV began on July 1, 2021.

EHVs are tenant-based rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)), though, as set forth in further detail below, the ARP further provides that HUD may waive any provision of any statute or regulation used to administer the amounts made available under section 3202 (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available for the EHV.

## 27.2 FUNDING OVERVIEW

The American Rescue Plan Act of 2021 (ARP or ARPA) provides administrative fees and funding for the costs of administering emergency housing vouchers (EHVs) and other eligible expenses defined in [Notice PIH 2021-15](#). These fees may only be used for EHV administration and other eligible expenses and must not be used for or applied to other PHA programs or vouchers. The PHA must maintain separate financial records from its regular HCV funding for all EHV funding.

### 27.2.1 Housing Assistance Payments Funding

ARP funding obligated to EOHLC (also referred to herein as the PHA; may also include the RAAs) as housing assistance payments (HAP) funding may only be used for eligible EHV HAP expenses (i.e., rental assistance payments). EHV HAP funding may not be used for EHV administrative expenses or for the eligible uses under the EHV services fee.

### 27.2.2 Administrative Fee and Funding

There are four types of administrative fees and funding allocated as part of the EHV program:

- *Preliminary fees:* These fees, \$400 per voucher allocated, support immediate start-up costs that the PHA will incur in implementing alternative requirements under EHV, such as outreach and coordination with partnering agencies. These fees may be used for any eligible administrative expenses related to EHV and may also be used to pay for any eligible activities under EHV [Service Fees](#).
- *Placement fees:* These fees will support initial lease-up costs and the added cost and effort required to expedite leasing of EHV.
  - \$100 for each EHV initially leased, if the PHA reports the voucher issuance date in PIC within 14 days of voucher issuance or the date the system becomes available for reporting.
  - \$500 for each EHV household placed under a HAP contract effective within four months of the effective date of the ACC funding increment.
  - \$250 for each EHV household placed under a HAP contract effective after four months but less than six months after the effective date of the ACC funding increment.
  - HUD will determine placement fees in the event of multiple EHV allocations and funding increment effective dates.
  - Placement/expedited issuance fees only apply to the initial leasing of the voucher; they are not paid for household moves or to turnover vouchers.

- *Ongoing administrative fees:* These fees are calculated in the same manner as the standard HCV program.
  - EOHLC will be allocated administrative fees using the full column A administrative fee amount for each EHV under contract as of the first day of each month. Column B rates do not apply to the EHV program.
  - Ongoing EHV administrative fees may be subject to proration in future years, based on available EHV funding.
- *Service fees:* These fees are a one-time fee of \$3,500 per allocated voucher to support PHAs' efforts to implement and operate an effective EHV program.

### **27.2.3 Service Fees**

Services fee funding must be initially used for defined eligible uses and not for other administrative expenses of operating the EHV program. Service fees fall into four categories:

- Housing search assistance
- Security deposit/utility deposit/rental application/holding fee uses
- Owner-related uses
- Other eligible uses such as moving expenses or tenant-readiness services

Any services fee assistance that is returned to the PHA after its initial or subsequent use may only be applied to the eligible services fee uses defined in Notice PIH 2021-15 (or subsequent notice) or other EHV administrative costs. Any amounts not expended for these eligible uses when the EHV program ends must be remitted to HUD.

## **27.3 PARTNERING AGENCIES**

### **27.3.1 Continuum of Care (CoC)**

PHAs that accept an allocation of EHV are required to enter into a Memorandum of Understanding (MOU) with the Continuum of Care (CoC) to establish a partnership for the administration of EHV. EOHLC has entered into MOUs with 11 of the 12 CoCs in the Commonwealth (see [CoC coverage area](#)) to ensure referrals to the EHV program.

### **27.3.2 Other Partnering Organizations**

EOHLC may, but is not required to, partner with other organizations trusted by persons experiencing homelessness, such as victim services providers (VSPs) and other community partners. EOHLC has confirmed with the CoC Collaborative Applicants that they will act as lead agency to coordinate with those other organizations, and thus EOHLC does not anticipate entering into any MOUs with partnering organizations other than the CoCs.

## **27.4 REFERRALS**

### **27.4.1 CoC and Partnering Agency Referrals**

The primary responsibility of the CoC under the MOU with EOHLC is to make direct referrals of qualifying individuals and families to EOHLC. If an individual or family (that is not a family in EOHLC's Emergency Assistance (EA) or HomeBASE programs, see [Referral of Families from EOHLC's Emergency Assistance or HomeBASE Programs](#)) comes directly to EOHLC seeking assistance, EOHLC will refer that individual or family to the CoC for initial intake, assessment, and possible referral for EHV assistance. Partner CoCs are responsible for determining whether the individual or family qualifies under one of the four eligibility categories for EHV (see [FAMILY ELIGIBILITY](#)). The CoC or other direct referral partner must provide supporting documentation to EOHLC of the referring agency's verification that the individual or family meets one of the four eligible categories for EHV assistance.

Upon receipt of a referral from a CoC, EOHLC will distribute that referral to the appropriate Regional Administering Agency (RAA) to complete intake, lease up the individual or family, and provide continuing occupancy administration.

#### **27.4.2 Offers of Assistance with CoC Referral**

EOHLC may make an EHV available without a referral from the CoC or other partnering organization in order to facilitate an emergency transfer under VAWA in accordance with EOHLC's emergency transfer plan.

The PHA must also take direct referrals from outside the CoC if:

- The CoC does not have a sufficient number of eligible applicants to refer to the PHA (see Referral of Families from EOHLC's Emergency Assistance or HomeBASE Programs).
- The CoC does not identify applicants that may be eligible for EHV assistance because they are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking.

If at any time the PHA is not receiving enough referrals or is not receiving referrals in a timely manner from a CoC or other partner referral agencies (or the PHA and CoC cannot identify any such alternative referral partner agencies), HUD may permit the PHA on a temporary or permanent basis to take EHV applications directly from applicants and admit eligible applicants to the EHV program in lieu of or in addition to direct referrals in those circumstances.

#### **27.4.3 Referral of Families from EOHLC's Emergency Assistance or HomeBASE Programs**

As EOHLC is primarily responsible for the Commonwealth's family homelessness system, the CoCs generally do not include families in their Coordinated Entry systems. Accordingly, EOHLC's Division of Rental Assistance will enter into an intradepartmental agreement with EOHLC's Division of Housing Stabilization so that it may directly refer EHV eligible families in its EA and HomeBASE programs who are homeless, at risk of homelessness, or recently homeless.

In the event of direct referrals of EA or HomeBASE families, EOHLC may work with applicable CoCs to facilitate financial assistance through the services fees outlined above.

### **27.5 WAITING LIST MANAGEMENT**

#### **27.5.1 HCV Waiting List**

The regulation that requires EOHLC to admit applicants as waiting list admissions or special admissions does not apply to the EHV program. Applicants will be referred by the CoC or other partnering agency, and such direct referrals will not be added to the HCV waiting list.

##### **27.5.1.1 Notification**

EOHLC is required to notify applicants on its HCV waiting list who have self-identified as homeless of the availability of EHV and will post on its website information about the EHV program. In addition, it will notify applicants on the HCV waiting list who have self-identified as homeless about the availability of the program.

#### **27.5.2 EHV Waiting List**

EHV referrals will be added to a designated waiting list for the purpose of creating a record in the database in order to process voucher issuances and leasing.

The HCV regulations requiring PHAs to operate a single waiting list for admission to the HCV program do not apply to PHAs operating the EHV program. Instead, when the number of applicants referred by the CoC or partnering agency exceeds the EHV available, the PHA must maintain a separate waiting list for EHV referrals, both at initial leasing and for any turnover vouchers that may be issued prior to September 30, 2023. The PHA will work directly with its CoC and other referral agency partners to manage the number of referrals and the size of the EHV waiting list.

#### **27.5.3 Preferences**

### **27.5.3.1 HCV Waiting List Preferences**

Any local preferences established by the PHA for HCV do not apply to EHV.

### **27.5.3.2 EHV Waiting List Preferences**

Other than a regional residency preference, no local preferences have been established for the EHV waiting list.

### **27.5.3.3 HCV Single Applicant Policy**

The EOHLC policy prohibiting admission of single applicants (see [Local Admission Preferences](#)) will not apply to EHV eligibility.

## **27.6 FAMILY ELIGIBILITY**

### **27.6.1 Overview**

The CoC or referring agency will determine whether the individual or family meets any one of the four eligibility criteria described in Notice PIH 2021-15 and below, and then will refer the individual or family to EOHLC. From there, EOHLC will submit the referral to the appropriate RAA to determine that the individual or family meets other eligibility criteria for the HCV program, as modified for the EHV program and outlined below.

### **27.6.2 Referring Agency (CoC or Other Partnering Organization) Determination of Eligibility**

In order to be eligible for an EHV, an individual or family must meet one of four eligibility criteria, as set forth in Notice PIH 2021-15:

- Homeless as defined in 24 CFR 578.3
- At risk of homelessness as defined in 24 CFR 578.3.
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking (as defined in Notice PIH 2021-15), or human trafficking (as defined in the 22 U.S.C. Section 7102).
- Recently homeless and for whom providing rental assistance will prevent the household's homelessness or having high risk of housing instability as determined by the CoC or referring agency in accordance with the definition in Notice PIH 2021-15.

As applicable, the CoC or referring agency must provide documentation to the PHA of the referring agency's verification that the applicant meets one of the four eligible categories for EHV assistance. The referral documentation will include a certification of eligibility, and the PHA must retain this documentation as part of the household's file.

### **27.6.3 PHA Screening**

HUD waived 24 CFR 982.552 and 982.553 in part for the EHV applicants and established alternative requirements for mandatory and permissive prohibitions of admissions. Except where applicable (and specified below), EOHLC policies regarding denials do not apply to screening individuals and families for eligibility for an EHV. Instead, the EHV alternative requirements listed in this section will apply to all EHV applicants.

The mandatory and permissive prohibitions listed in Notice PIH 2021-15 and in this chapter, however, apply only when screening the individual or family for eligibility for an EHV. When adding a family member after the household has been placed under a HAP contract with EHV assistance, the regulations at 24 CFR 982.551(h)(2) apply. Other than the birth, adoption, or court-awarded custody of a child, the RAA must approve additional family members and may apply its regular HCV screening criteria in doing so.

### **27.6.3.1 Mandatory Denials**

Under alternative requirements for the EHV program, mandatory denials for EHV applicants include:

- 24 CFR 982.553(a)(1)(ii)(C), which prohibits admission 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.
- 24 CFR 982.553(a)(2)(i), which prohibits admission to the program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

The RAA must also deny admission to the program if any member of the family fails to sign and submit consent forms for obtaining information as required by 24 CFR 982.552(b)(3) but must first notify the family in writing of the limited EHV grounds for denial of admission.

### **27.6.3.2 Permissive Denials**

In consultation with the CoC, the RAAs will apply permissive prohibitions to the screening of EHV applicants. Determinations using permissive prohibitions must be made based on an individualized assessment of relevant mitigating information, and the RAAs must heavily consider and give strong weight to mitigating information.

The RAAs will consider the following permissive prohibitions:

- If the PHA determines that any household member is currently engaged in, or has engaged in within the previous 12 months:
  - Violent criminal activity
  - Other criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity.
- If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program within the previous 12 months.
- If any member of the family engaged in or threatened abusive or violent behavior toward personnel of the RAAs within the previous 12 months.

Prohibitions based on criminal activity for the eligible EHV populations regarding drug possession will be considered apart from criminal activity against persons (i.e., violent criminal activity).

The RAAs may also deny assistance to household members already receiving assistance from another rental assistance program in accordance with Section 9.h. of Notice PIH 2021-15.

In compliance with Notice PIH 2021-15, the RAAs will not deny an EHV applicant admission regardless of whether:

- Any member of the household has been evicted from federally assisted housing in the last five years.
- A PHA has ever terminated assistance under the program for any member of the household.
- The household 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.
- The household has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the household under the lease.
- The household breached an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA.
- The household would otherwise be prohibited admission under alcohol abuse standards established by the PHA in accordance with 24 CFR 982.553(a)(3).
- The RAA determines that any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

## **27.6.4 Income Verification at Admission**

### **27.6.4.1 Self-Certification at Admission**

For EHV, the RAAs may consider self-certification to be the highest form of income verification at admission, as the requirement to obtain third-party verification does not apply to EHV program applicants at admission. Instead, applicants must submit an affidavit attesting to their reported income, assets, expenses, and other factors that would affect an income eligibility determination.

Applicants may provide third-party documentation that represents their income at the time of admission or voucher issuance even if that income is not dated within 60 days of the RAA's request.

- Any documents used for verification must be the original (not photocopies) and dated within the 60-day period prior to admission. The documents must not be damaged, altered, or in any way illegible.
- Printouts from webpages are considered original documents.
- Any family self-certifications must be made in a format acceptable to the RAA and must be signed by the family member whose information or status is being verified.

The RAAs will remind households of the obligation to provide true and complete information. The RAAs will address any material discrepancies (i.e., unreported income or a substantial difference in reported income) that may arise later. The RAA may, but are not required to, offer the household a repayment agreement (see [General Repayment Agreement Guidelines for Families](#)). If the household fails to repay the excess subsidy, the RAA will terminate the household's assistance in accordance with the policies in [Regular Reexaminations](#).

#### **27.6.4.2 Recently Conducted Income Determinations**

PHAs may accept income calculations and verifications from third-party providers or from an examination that the RAA conducted on behalf of the household for another subsidized housing program in lieu of conducting an initial examination of income as long as:

- The income was calculated in accordance with rules outlined at 24 CFR Part 55 and within the last six months.
- The household certifies there has been no change in income or family composition since the recently conducted determination was completed. The family certification must be made in a format acceptable to the PHA and must be signed by all adult family members whose information or status is being verified.

At the time of the household's regular reexamination, the RAA must conduct the regular reexamination of income as outlined at 24 CFR 982.516 and EOHLC policies in [Regular Reexaminations](#).

#### **27.6.4.3 EIV Income Validation**

Once HUD makes the EIV data available to PHAs under this waiver and alternative requirement, the RAA must:

- Review the EIV Income and Income Validation Tool (IVT) reports to confirm and validate family-reported income within 90 days of the PIC submission date
- Print and maintain copies of the EIV Income and IVT Reports in the tenant file.
- Resolve any income discrepancy with the household within 60 days of the EIV Income or IVT Report dates.

Prior to admission, the RAA must use HUD's EIV system to search for all household members using the Existing Tenant Search.

If the RAA later determines that an ineligible household received assistance, the RAA must take steps to terminate that household from the program in accordance with the policies in [CHAPTER 15](#).

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<sup>5</sup> CoC and Emergency Solutions Grants programs calculate income in accordance with 24 CFR Part 5.

### **27.6.5 Social Security Number and Citizenship Status Verification**

For the EHV program, the RAAs are not required to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the household to the EHV program. Accordingly, the RAA will admit EHV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination. These individuals must provide the required documentation in accordance with policies in

[Social Security](#) Numbers within 180 days of admission. The RAA may provide an additional 60-day extension based on evidence from the household or confirmation from the CoC or other partnering agency that the household has made a good-faith effort to obtain the documentation. If the RAA later determines that an ineligible household received assistance, the RAA must take steps to terminate that household from the program in accordance with the policies in [CHAPTER 15](#).

### **27.6.6 Age and Disability Verification**

The RAA will accept self-certification of date of birth and disability status if a higher form of verification is not immediately available. The certification must be made in a format acceptable to the RAA and must be signed by the family member whose information or status is being verified. If self-certification is accepted, within 90 days of admission, the RAA will verify the information in EIV or through other third-party verification if the information is not available in EIV. The RAA will note in the household's file that self-certification was used as initial verification and include an EIV printout or other third-party verification confirming the applicant's date of birth and/or disability status.

If the RAA later determines that an ineligible household received assistance, the RAA must take steps to terminate that household from the program in accordance with the policies in [CHAPTER 15](#).

### **27.6.7 Income Targeting**

The RAA will determine income eligibility for the EHV program in the same manner as in standard HCV eligibility. However, income targeting requirements do not apply for EHV households. As such, EOHLIC will not include the admission of extremely low-income EHV households in its income targeting numbers for the fiscal year in which these households are admitted.

## **27.7 HOUSING SEARCH AND LEASING**

### **27.7.1 Initial Voucher Term**

All EHV households will have an initial term of 120 calendar days. The household must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless the RAA grants an extension.

### **27.7.2 Housing Search Assistance**

The RAAs must ensure that housing search assistance is made available to EHV households during their initial housing search. As identified in the MOUs, the housing search assistance shall be provided by the CoC or another partnering agency or entity. Housing search assistance for EA/HB families referred by EOHLIC will be provided by EOHLIC-contracted service providers. The RAAs will provide assistance where applicable, particularly with expediting the leasing process.

At a minimum, housing search assistance must:

- Help individual households identify potentially available units during their housing search, including physically accessible units with features for family members with disabilities, as well as units in low-poverty neighborhoods
- Provide transportation assistance and directions to potential units.
- Conduct owner outreach.
- Assist with the completion of rental applications and RAA forms.
- Help expedite the EHV leasing process for the household.

### **27.7.3 HQS Pre-Inspections**

To expedite the leasing process, the PHA may pre-inspect available units that EHV households may be interested in leasing to maintain a pool of eligible units. If an EHV household selects a unit that passed a HQS pre-inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval, the unit may be approved provided that it meets all other conditions under 24 CFR 982.305.

Regardless of any pre-inspected units, the household will be free to select their unit.

When a pre-inspected unit is not selected, the RAA will make every effort to fast-track the inspection process, including adjusting the normal inspection schedule for any required reinspections and utilizing any applicable COVID or other emergency waiver in effect at the time (see [EMERGENCY WAIVERS](#)).

### **27.7.4 Initial Lease Term**

Unlike in the standard HCV [Term of Assisted Tenancy](#) EHV voucher holders may enter into an initial lease that is for less than 12 months.

### **27.7.5 Portability**

The normal HCV portability procedures and requirements outlined in [CHAPTER 14](#) generally apply to EHV. Exceptions are addressed below.

#### **27.7.5.1 Nonresident Applicants**

Under EHV, applicant households may move under portability even if the household did not have legal residency in the jurisdiction of the initial PHA when they applied, regardless of EOHLC's usual policy in [Applicant Families](#).

#### **27.7.5.2 Billing and Absorption**

A receiving PHA cannot refuse to assist an incoming EHV household, regardless of whether the PHA administers EHV under its own ACC.

If the EHV household moves under portability to another PHA that administers EHV under its own ACC:

- The receiving PHA may only absorb the incoming EHV household with an EHV (assuming it has an EHV voucher available to do so).
- If the receiving PHA does not have an EHV available to absorb the family or otherwise opts not to absorb the voucher, it must bill the RAA. The receiving PHA must allow the household to lease the unit with EHV assistance and may not absorb the household with a regular HCV when the household leases the unit.
- Regardless of whether the receiving PHA absorbs or bills the RAA for the household's EHV assistance, the EHV administration of the voucher is in accordance with the receiving PHA's EHV policies.

If the EHV household moves under portability to another PHA that does not administer EHV under its own ACC, the receiving PHA may absorb the household into its regular HCV program or may bill the RAA.

#### **27.7.5.3 Family Briefing**

In addition to the applicable family briefing requirements at 24 CFR 982.301(a)(2) as to how portability works and how portability may affect the household's assistance, the RAA must inform the household how portability may impact the special EHV services and assistance that may be available to the household.

Accordingly, in addition to following EOHLC policy on briefings in [CHAPTER 5](#), as part of the briefing packet for EHV households, the RAA will include a written notice that the RAA will assist the household with moves under portability. For LEP applicants, the RAA will provide interpretation services in accordance with applicable LEP plans.

#### **27.7.5.4 Coordination of Services**

For EHV households who are exercising portability, when the RAA contacts the receiving PHA, the RAA will consult and coordinate with the receiving PHA to ensure there is no duplication of EHV services and assistance and ensure the receiving PHA is aware of the maximum amount of services fee funding that the RAA may provide to the receiving PHA on behalf of the household.

#### **27.7.5.5 Service Fees**

Standard portability billing arrangements apply for HAP and ongoing administrative fees for EHV households.

For service fees funding, the amount of the service fee provided by the RAA may not exceed the lesser of the actual cost of the services and assistance provided to the household by the receiving PHA or \$1,750, unless the RAA and receiving PHA mutually agree to change the \$1,750 cap.

Service fees are paid as follows:

- If the receiving PHA, in consultation and coordination with the RAA, will provide eligible services or assistance to the incoming EHV household, the receiving PHA may be compensated for those costs by the RAA, regardless of whether the receiving PHA bills or absorbs.
- If the receiving PHA administers EHV, the receiving PHA may use its own services fee and may be reimbursed by the RAA, or the RAA may provide the services funding upfront to the receiving PHA for those fees and assistance.

If the receiving PHA does not administer EHV, the RAA must provide the services funding upfront to the receiving PHA. Any amounts provided to the receiving PHA that are not used for services or assistance on behalf of the EHV household must promptly be returned by the receiving PHA to the RAA.

#### **27.7.5.6 Placement Fee/Issuance Reporting Fee**

If the portability lease-up qualifies for the placement fee/issuance reporting fee, the receiving PHA receives the full amount of the placement component of the placement fee/issuance reporting fee. The receiving PHA is eligible for the placement fee regardless of whether the receiving PHA bills the RAA or absorbs the household into its own program at initial lease-up. The RAA qualifies for the issuance reporting component of the placement fee/issuance reporting fee, as applicable.

### **27.7.6 Payment Standards**

#### **27.7.6.1 Payment Standard Schedule**

For the EHV program, HUD has waived the regulation requiring a single payment standard for each unit size. Instead, the PHA may, but is not required to, establish separate higher payment standards for EHV. As such, EOHLC will define the “basic range” for payment standards as between 90% and 120% of the published Fair Market Rent (FMR) for the unit size.

If EOHLC increases the regular HCV payment standard, it will also increase the EHV payment standard if the EHV payment standard would be otherwise lower than the new regular HCV payment standard.

#### **27.7.6.2 Rent Reasonableness**

All rent reasonableness requirements apply to EHV units, regardless of whether the PHA has established an alternative or exception EHV payment standard.

#### **27.7.6.3 Increases in Payment Standard**

The RAA will apply the increased payment standard at the next interim reexamination after the effective date of the increased payment standard. Where the payment standard in effect at the time of the applicable interim recertification reflects a decrease when compared to the payment standard applied at the last regular recertification, EOHLC will not update the payment standard at the interim recertification and will wait until the next regular recertification to update the payment standard.

If the RAA completes a reexam late, the RAA will apply the payment standard in effect on the effective date of the delayed regular reexamination.

### **27.7.7 Termination of Vouchers**

After September 30, 2023, the RAAs may not reissue EHV when assistance for an EHV-assisted household ends. This means that when an EHV participant (a household that is receiving rental assistance under a HAP contract) leaves the program for any reason, the RAAs may not reissue that EHV to another household unless it does so no later than September 30, 2023.

If an applicant household that was issued the EHV is unsuccessful in finding a unit and the EHV expires after September 30, 2023, the EHV may not be reissued to another household.

All EHV under lease on or after October 1, 2023, may not under any circumstances be reissued to another household when the participant leaves the program for any reason.

An EHV that has never been issued to a household may be initially issued and leased after September 30, 2023, since this prohibition only applies to EHV that are being reissued upon turnover after assistance to a household has ended. However, HUD may direct PHAs administering EHV to cease leasing any unleased EHV if such action is determined necessary by HUD to ensure there will be sufficient funding available to continue to cover the HAP needs of currently assisted EHV households.

## **27.8 CONTINUED OCCUPANCY**

After initial lease-up, and other than specified in this chapter, standard HCV policies for continued occupancy (including but not limited to moves, portability, terminations, and informal hearings) shall apply. Additionally, the EHV program will be subject to an annual reexamination cycle but note there will be no limit on voluntary reexaminations.

However, the goal is for EHV households to maintain stable housing, so it is expected that the RAAs will exercise care and consideration of EHV households' needs and mitigating circumstances before resorting to adverse actions.

### **27.8.1 MTW Flexibilities**

The following approved MTW policies shall apply to EHV program administration:

- Utility allowances (see [Utility Allowances](#)).
- Rent simplification:
  - \$50 minimum rent
  - Streamlined asset verification and calculation (see [Assets and Income from Assets, Assets](#))
  - Calculation of medical expenses (see [Medical Expense Deduction](#))
- Payment standard exceptions (see [MTW policy at Payment Standard Exceptions & Reasonable Accommodations](#)).
- Local forms: the MTW Authorization for Release form shall be used in place of the HUD-9886 form (see [Privacy Act Requirements, Family Consent to Release of Information, Consent Forms](#)).

### **27.8.2 FSS**

EHV households are eligible to participate in FSS (see : [FAMILY SELF-SUFFICIENCY](#)), with any MTW enhancements to be applied.

## **27.9 EMERGENCY WAIVERS**

EOHLC In the event of states of emergency as declared by the Governor or their designee, EOHLC may establish, as needed, other emergency waivers as provided in EOHLC's [MTW Plan](#).

## **27.10 USE OF FUNDS, REPORTING, AND FINANCIAL RECORDS**

EHV funds allocated to EOHLC (and thus the RAAs) for HAP (both funding for the initial allocation and HAP renewal funding) may only be used for eligible EHV HAP purposes. EHV HAP funding obligated to EOHLC may not be used for EHV administrative expenses or the other EHV eligible expenses under this notice. Likewise, EHV administrative fees and funding obligated to EOHLC are to be used for those purposes and must not be used for HAP.

The appropriated funds for EHV are separate from the regular HCV program and may not be used for the regular HCV program but may only be expended for EHV eligible purposes. EHV HAP funds may not roll into the regular HCV restricted net position (RNP) and must be tracked and accounted for separately as EHV RNP. EHV administrative fees and funding for other eligible expenses permitted by Notice PIH 2021-15 may only be used in support of the EHV and cannot be used for regular HCVs. EHV funding may not be used for the repayment of debts, or any amounts owed to HUD by HUD program participants including, but not limited to, those resulting from Office of Inspector General (OIG), Quality Assurance Division (QAD), or other monitoring review findings.

The RAAs must comply with EHV reporting requirements in the Voucher Management System (VMS) and Financial Data Schedule (FDS) as outlined in Notice PIH 2021-15.

The RAAs must maintain complete and accurate accounts and other records for the program and provide HUD and the Comptroller General of the United States full and free access to all accounts and records that are pertinent the administration of the EHV in accordance with the HCV program requirements at 24 CFR 982.158.

### **27.10.1 PIC Reporting**

PHAs are required to submit tenant-level EHV participant data into the legacy IMS/PIC system. The RAAs must follow the standard reporting fields identified on the HUD 50058-MTW form. RAAs must enter “EHV” as the special program code in line 2p (and leave line 2n blank).

As fees issuance and placement fees are dependent on timely recording in PIC, it is imperative that the RAAs expedite entry of EHV transactions in PIC and, where possible, send transactions to PIC completion of the transaction rather than all at once monthly.

Once HIP becomes available, HUD will notify PHAs participating in the EHV program of any special instructions for transitioning from IMS/PIC to HIP.

## CHAPTER 28 : ACRONYMS

NO	ACRONYM	DEFINITION
1.	ACC	Annual contributions contract
2.	ADA	Americans with Disabilities Act of 1990
3.	AIDS	Acquired immune deficiency syndrome
4.	AMI	Annual median income
5.	BR	Bedroom
6.	CDBG	Community Development Block Grant (Program)
7.	CFR	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as "the regulations")
8.	CMR	Code of Massachusetts Regulations
9.	EHV	Emergency Housing Voucher
10.	EID	Earned income disallowance
11.	EIV	Enterprise Income Verification
12.	EV	Enhanced voucher
13.	FDIC	Federal Deposit Insurance Corporation
14.	FHEO	(HUD Office of) Fair Housing and Equal Opportunity
15.	FMR	Fair market rent
16.	FR	Federal Register
17.	FSHO	Fostering Stable Housing Opportunities
18.	FSS	Family Self-Sufficiency (Program)
19.	FUP	Family Unification Program
20.	FY	Fiscal year
21.	FYI	Foster Youth to Independence Initiative
22.	HA	Housing authority or housing agency
23.	HAP	Housing assistance payment
24.	HCV	Housing choice voucher
25.	HIP	Housing Information Portal
26.	HOTMA	Housing Opportunities Through Modernization Act
27.	HQS	Housing quality standards
28.	HUD	Department of Housing and Urban Development
29.	HUDCLIPS	HUD Client Information and Policy System
30.	IPA	Independent public accountant
31.	IRA	Individual retirement account
32.	IRS	Internal Revenue Service
33.	JTPA	Job Training Partnership Act
34.	LBP	Lead-based paint
35.	LEP	Limited English proficiency
36.	LIHTC	Low Income Housing Tax Credit
37.	MSA	Metropolitan statistical area (established by the U.S. Census Bureau)
38.	MTW	Moving to Work
39.	NOFA	Notice of funding availability
40.	NSPIRE	National Standards for the Physical Inspection of Real Estate
41.	OIG	HUD's Office of Inspector General

<b>NO</b>	<b>ACRONYM</b>	<b>DEFINITION</b>
42.	PASS	Plan to Achieve Self-Support
43.	PBV	Project-based voucher
44.	PHA	Public housing agency
45.	PIC	PIH Information Center
46.	PIH	(HUD Office of) Public and Indian Housing
47.	PS	Payment standard
48.	QC	Quality control
49.	REAC	(HUD) Real Estate Assessment Center
50.	RFP	Request for proposals
51.	RFTA (also RTA)	Request for Tenancy Approval
52.	SEMAP	Section 8 Management Assessment Program
53.	SAFMR	Small Area Fair Market Rent
54.	SRO	Single room occupancy
55.	SSA	Social Security Administration
56.	SSI	Supplemental security income
57.	SWICA	State wage information collection agency
58.	TANF	Temporary Aid to Needy Families
59.	TPV	Tenant protection vouchers
60.	TR	Tenant rent
61.	TTP	Total tenant payment
62.	UA	Utility allowance
63.	UFAS	Uniform Federal Accessibility Standards
64.	UIV	Upfront income verification
65.	UR	Utility reimbursement
66.	VASH	Veterans Affairs Supportive Housing
67.	VAWA	Violence Against Women Reauthorization Act of 2022

## CHAPTER 29 : GLOSSARY/ DEFINITION

1. **Abatement.** Stopping HAP payments to an owner with no potential for retroactive payment.
2. **Absorption.** In portability (under subpart H of this part 982): the point at which a 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's consolidated ACC.
3. **Accessible.** The facility or portion of the facility can be approached, entered, and used by persons with disabilities.
4. **Adjusted income.** Annual income, less allowable HUD deductions and allowances.
5. **Administrative fee.** Fee paid by HUD to the PHA for administration of the program. See [982.152](#).
6. **Administrative Plan.** The plan that describes PHA policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and included as a supporting document to the PHA Plan. See [982.54](#).
7. **Admission.** The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.
8. **Affiliated individual.** With respect to an individual, a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis (in the place of a parent), or any individual, tenant, or lawful occupant living in the household of that individual.
9. **Amortization payment.** In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.
10. **Annual.** Happening once a year.
11. **Annual contributions contract (ACC).** The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.
12. **Annual income.** The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.
13. **Applicant (applicant family).** A family that has applied for admission to a program but is not yet a participant in the program.
14. **Area exception rent.** An amount that exceeds the published FMR beyond the basic range (i.e. 90-110% of the FMR). See [24 CFR 982.503\(d\)](#).
15. **As-paid states.** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.
16. **Assets.** (See net family assets [below](#).)
17. **Authorized voucher units.** The number of units for which a PHA is authorized to make assistance payments to owners under its annual contributions contract.
18. **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.
19. **Biennial.** Happening every two years.
20. **Bifurcate.** With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.
21. **Budget authority.** An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

22. **Building.** A structure with a roof and walls that contains one or more dwelling units.
23. **Child.** A member of the family other than the family head or spouse who is under 18 years of age.
24. **Childcare expenses.** Amounts anticipated to be paid by the family for the care of children under 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 actively seek employment, be gainfully employed, 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 childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.
25. **Citizen.** A citizen or national of the United States.
26. **Co-head.** An individual in the household who is equally responsible for the lease with the head of household. A family may have a co-head or spouse but not both. A co-head never qualifies as a dependent. The co-head must have legal capacity to enter into a lease.
27. **Common space.** In shared housing, the space available for use by the assisted family and other occupants of the unit.
28. **Computer match.** The automated comparison of databases containing records about individuals.
29. **Confirmatory review.** An on-site review performed by HUD to verify the management performance of a PHA.
30. **Consent form.** Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.
31. **Congregate housing.** Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see [24 CFR 982.606–609](#).
32. **Contiguous MSA.** In portability (under subpart H of part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.
33. **Continuously assisted.** An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.
34. **Contract authority.** The maximum annual payment by HUD to a PHA for a funding increment.
35. **Cooperative (term includes mutual housing).** Housing owned by a non-profit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type (see [24 CFR 982.619](#)).
36. **Covered families.** Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for non-compliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which federal, state, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.
37. **Dating violence.** Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the survivor; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - The length of the relationship
  - The type of relationship
  - The frequency of interaction between the persons involved in the relationship

38. **Day Laborer.** An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future.
39. **De minimis error.** Error in income calculation where the PHA determination of a family's income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income (or \$360 in annual adjusted income). Such errors do not result in a compliance finding by HUD but must be corrected retroactively once identified.
40. **Dependent.** A member of the family (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.
41. **Dependent child.** In the context of the student eligibility restrictions, a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of dependent as specified above.
42. **Dependent deduction.** Effective January 1, 2024, the dependent deduction amount is \$480. This amount will be adjusted annually and applies to a family's next annual or interim reexamination after the annual adjustment.
43. **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.
44. **Disabled family.** A family whose head, co-head, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.
45. **Disabled person.** See person with disabilities [below](#).
46. **Disallowance.** Exclusion from annual income.
47. **Displaced family.** A 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.
48. **Domestic violence.** Any felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or a person similarly situated to a spouse of the victim, or by any other person against an adult or youth victim who is protected from that person's acts under the family or domestic violence laws of the jurisdiction receiving grant funding and, in the case of victim services, includes the use or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior.
49. **Domicile.** The legal residence of the household head or spouse as determined in accordance with state and local law.
50. **Drug-related criminal activity.** The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug.
51. **Earned income.** Earned Income is defined as income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare assistance, Social Security, and other governmental subsidies/benefits), or any cash or in-kind benefits.
52. **Economic self-sufficiency program.** Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program

necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 USC 607(d)). See also [24 CFR 5.603](#).

53. **Elderly/Disabled Family Deduction.** Effective January 1, 2024, the non-MTW elderly/disabled family deduction increases from \$400 to \$525. The MTW elderly/disabled family deduction increases to \$650. The non-MTW amount will be adjusted each year, and HUD will release the annually updated CPI-W adjustment on the HUD User website.
54. **Elderly family.** A family whose head, co-head, spouse, or sole member is a person who is at least 62 years of age; 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.
55. **Elderly person.** An individual who is at least 62 years of age.
56. **Eligible family.** A family that is income eligible and meets the other requirements of the 1937 Act and Part 5 of 24 CFR. See also family [below](#).
57. **Eligible youth.** A single person who is at least 18 years of age but not more than 24 years of age, who has left foster care or will leave foster care within 90 days and is homeless or at risk of becoming homeless from age 16 or older.
58. **Employer identification number (EIN).** The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.
59. **Evidence of citizenship or eligible status.** The documents which must be submitted as evidence of citizenship or eligible immigration status. See [24 CFR 5.508\(b\)](#).
60. **Expiring use.** Privately owned properties where federal and/or state subsidies were used to finance or produce the housing and for which a commitment to maintain affordability was required for a defined period of time which is now concluding.
61. **Extremely low-income family.** A family whose annual income does not exceed the federal poverty level or 30% of the median income for the area, whichever number is higher. Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30% of median income if HUD finds such variations are necessary due to unusually high or low family incomes. See [24 CFR 5.603](#).
62. **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.
63. **Fair Housing Act.** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.
64. **Fair market rent (FMR).** The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. In the HCV program, the FMR may be established at the ZIP code level (see Small Area Fair Market Rents [below](#)), metropolitan area level, or non-metropolitan county level. See periodic publications in the [Federal Register](#) in accordance with [24 CFR Part 888](#).
65. **Family.** Includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, and can be further defined in PHA policy.
  - A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)
  - An elderly family or a near-elderly family
  - A displaced family
  - The remaining member of a tenant family
  - A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

- Is an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age; Has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)); and is homeless or is at risk of becoming homeless at age 16 or older
66. **Family rent to owner.** In the voucher program, the portion of rent to owner paid by the family.
  67. **Family self-sufficiency program (FSS program).** The program was established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 USC 1437u).
  68. **Family share.** The portion of rent and utilities paid by the family. For calculation of family share, see [24 CFR 982.515\(a\)](#).
  69. **Family unit size.** The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.
  70. **Federal agency.** A department of the executive branch of the federal government.
  71. **Foster adult.** Foster adult is defined as a member of the household who is 18 years or older and meets E1 SPRACs have a program-specific definition of Family found in paragraph 2.3 (Families to be Housed) of the SPRAC II (form HUD-93742a). 54 the definition of a foster adult under state law. State-level agencies define who is considered a foster adult/child, so the classification may vary from state to state. In general, a foster adult is unable to live independently
  72. **Foster child.** A foster child is defined as a member of the household who meets the definition of a foster child under State law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction.
  73. **Foster childcare payment.** A payment to eligible households by state, local, or private agencies appointed by the state to administer payments for the care of foster children.
  74. **Full-time student.** A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended). See [24 CFR 5.603](#).
  75. **Funding increment.** Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.
  76. **Gender identity.** Actual or perceived gender-related characteristics.
  77. **Gross rent.** The sum of the rent to owner plus any utility allowance.
  78. **Group home.** A dwelling unit that is licensed by a state as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). (A special housing type: see [24 CFR 982.610-614](#).)
  79. **Handicap.** Any condition or characteristic that renders a person an individual with handicaps. (See person with disabilities [below](#).)
  80. **HAP contract.** The housing assistance payments contract. A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.
  81. **Hardship exemptions.** Exemptions provided for families experiencing hardship regarding unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses. These exemptions can be applied to adjust the family's income calculations under certain conditions.
  82. **Head of household.** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.
  83. **Health and medical care expenses (formerly medical expenses).** Health and medical care expenses are any costs incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease

or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated (but not reimbursed through another program) during the period for which annual income is computed.

84. **Household.** A household includes additional people other than the family who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.
85. **Housing assistance payment.** The monthly assistance payment by a PHA, which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.
86. **Housing agency (HA).** See public housing agency [below](#).
87. **Housing quality standards (HQS).** The HUD minimum quality standards developed by HUD in accordance with [24 CFR 5.703](#) for the HCV program, including any variations approved by HUD for the PHA under 24 CFR 5.705(a)(3).
88. **HUD.** The U.S. Department of Housing and Urban Development.
89. **Imputed asset.** An asset disposed of for less than fair market value during the two years preceding examination or reexamination.
90. **Imputed asset income.** The PHA or HUD-established passbook rate multiplied by the total cash value of assets. The calculation is used when net family assets exceed \$50,000.
91. **Imputed welfare income.** An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction but is included in the family's annual income and therefore reflected in the family's rental contribution.
92. **Income.** Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.
93. **Income for eligibility.** Annual income.
94. **Independent contractor.** An individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code federal income tax requirements and whose earnings are consequently subject to the self-employment tax.
95. **Independent entity.** The unit of general local government; however, if the PHA itself is the unit of general local government or an agency of such government, then only the next level of general local government (or an agency of such government) or higher may serve as the independent entity; or a HUD-approved entity that is autonomous and recognized under State law as a separate legal entity from the PHA. The entity must not be connected financially (except regarding compensation for services performed for PHA-owned units) or in any other manner that could result in the PHA improperly influencing the entity.
96. **Individual with handicaps.** See person with disabilities [below](#).
97. **Initial PHA.** In portability, the term refers to both: (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.
98. **Initial payment standard.** The payment standard at the beginning of the HAP contract term.
99. **Initial rent to owner.** The rent to owner at the beginning of the HAP contract term.
100. **Institution of higher education.** An institution of higher education as defined in [20 USC § 1001](#) and [1002](#). See also [Determining Student Eligibility](#) in this plan.
101. **Jurisdiction.** The area in which the PHA has authority under state and local law to administer the program.
102. **Landlord.** Either the owner of the property or their representative, or the managing agent or their representative, as shall be designated by the owner.

103. **Lease.** A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA.
104. **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 to be essential to the care and well-being of the persons.
  - Is not obligated for the support of the persons.
  - Would not be living in the unit except to provide the necessary supportive services.
105. **Living/sleeping room.** A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space. A bedroom or living/sleeping room must have at least one window and two electrical outlets in proper operating condition.
106. **Local preference.** A preference used by the PHA to select among applicant families.
107. **Low-income family.** A family whose income does not exceed 80% of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80% for areas with unusually high or low incomes.
108. **Manufactured home.** A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence and meets the HQS. (A special housing type: see [24 CFR 982.620 - 621.](#))
109. **Manufactured home space.** In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See [24 CFR 982.622 - 624.](#)
110. **Medical expenses.** 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 (a deduction for elderly or disabled families only). These allowances are given when calculating adjusted income for medical expenses in excess of 10% of annual income.
111. **Minor.** A member of the family household other than the family head or spouse, who is under 18 years of age.
112. **Mixed family.** A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.
113. **Mod Rehab.** Section 8 Moderate Rehabilitation (Mod Rehab) programs provide rental assistance for low-income families to live in renovated properties.
114. **Monthly adjusted income.** One twelfth of adjusted income.
115. **Monthly income.** One twelfth of annual income.
116. **Mutual housing.** Included in the definition of cooperative.
117. **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.
118. **Near-elderly family.** A family whose 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.
119. **Net family assets.** Net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of investment, except as excluded in Table 7.5.1.4. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
120. **Noncitizen.** A person who is neither a citizen nor national of the United States.

121. **Notice of funding availability (NOFA).** For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.
122. **Office of General Counsel (OGC).** The General Counsel of HUD.
123. **Overcrowded.** A unit that does not meet the following HQS space standards: (1) Provide adequate space and security for the family; and (2) Have at least one bedroom or living/sleeping room for each two persons.
124. **Owner.** Any person or entity with the legal right to lease or sublease a unit to a participant.
125. **Participant (participant family).** 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).
126. **PHA-owned unit.** A dwelling unit in a project that is owned by the PHA (including having controlling interest in the entity that owns the project; or owned by an entity wholly controlled by the PHA; or owned by a limited liability company (LLC) or Limited Partnership (LP) in which a PHA holds a controlling interest in the managing member or general partner.
127. **PHA Plan.** The annual plan and the five-year plan as adopted by the PHA and approved by HUD.
128. **PHA's quality control sample.** An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see [24 CFR 985.2](#).
129. **Payment standard.** The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).
130. **Person with disabilities.** For the purposes of program eligibility: A person who has a disability as defined under the Social Security Act or Developmental Disabilities Care Act, or a person who has a physical or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions. This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence. For the purposes of reasonable accommodation: A person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.
131. **Portability.** Renting a dwelling unit with a Section 8 housing choice voucher outside the jurisdiction of the initial PHA.
132. **Premises.** The building or complex in which the dwelling unit is located, including common areas and grounds.
133. **Previously unemployed.** With regard to the earned income disallowance, a person with disabilities who has earned, in the 12 months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.
134. **Private space.** In shared housing, the portion of a contract unit that is for the exclusive use of an assisted family.
135. **Processing entity.** The person or entity that, under any of the programs covered, is responsible for making eligibility and related determinations and any income reexamination. In the HCV program, the "processing entity" is the "responsible entity."
136. **Project-based voucher.** Housing assistance that is tied to a particular unit, not a family, and thus a family who moves from that unit generally has no right to continued assistance.
137. **Project owner.** The person or entity that owns the housing project containing the assisted dwelling unit.

138. **Public assistance.** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by federal, state, or local governments.
139. **Public housing agency (PHA).** Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.
140. **Qualified census tract.** With regard to certain tax credit units, any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of households have an income of less than 60% of Area Median Gross Income (AMGI), or where the poverty rate is at least 25%, and where the census tract is designated as a qualified census tract by HUD.
141. **Reasonable rent.** A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.
142. **Reasonable accommodation.** A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access the PHA's programs or services.
143. **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.
144. **Recertification.** Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.
145. **Remaining member of the tenant family.** The person left in assisted housing who may or may not normally qualify for assistance on their own circumstances (i.e., an elderly spouse dies, leaving widow aged 47 who is not disabled).
146. **Rent to owner.** The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.
147. **Request for Tenancy Approval (RFTA).** A form ([form HUD-52517](#)) submitted by or on behalf of a family to a PHA once the family has identified a unit that it wishes to rent using tenant-based voucher assistance.
148. **Residency preference.** A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (See residency preference area).
149. **Residency preference area.** The specified area where families must reside to qualify for a residency preference.
150. **Responsible entity.** For the public housing and the Section 8 tenant-based assistance, project-based voucher assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.
151. **Safe Harbor.** The determination of a family's income, including income from assets, prior to the application of any deductions using income determinations from other accepted means-tested public assistance programs.
152. **Seasonal worker.** An individual who is: 1) hired into a short-term position (e.g., for which the customary employment period for the position is 6 months or fewer); and 2) the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the employer or industry.
153. **Secretary.** The Secretary of Housing and Urban Development.
154. **Section 8.** Section 8 of the United States Housing Act of 1937.

155. **Section 8 covered programs.** All HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under Section 202 of the Housing Act of 1959.
156. **Section 214.** Section 214 of the Housing and Community Development Act of 1980, as amended.
157. **Section 214 covered programs.** The collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in 24 CFR 5.500.
158. **Security deposit.** A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.
159. **Set-up charges.** In a manufactured home space rental, charges payable by the family for assembling, skirting, and anchoring the manufactured home.
160. **Sexual assault.** Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the survivor lacks capacity to consent ([34 USC 12291\(a\)\(35\)](#)).
161. **Sexual orientation.** Homosexuality, heterosexuality, or bisexuality.
162. **Shared housing.** A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. (A special housing type: see [24 CFR 982.615–982.618](#).)
163. **Single person.** A person living alone or intending to live alone.
164. **Single room occupancy housing (SRO).** A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. (A special housing type: see [24 CFR 982.602–982.605](#).)
165. **Small Area Fair Market Rents (SAFMRs).** Small Area FMRs are FMRs established for U.S. Postal Service ZIP code areas and are calculated in accordance with [24 CFR 888.113\(a\), \(b\) and \(c\)](#).
166. **Social Security number (SSN).** The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.
167. **Special admission.** Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.
168. **Special housing types.** See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).
169. **Specified welfare benefit reduction.** Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program.
170. **Spouse.** The marriage partner of the head of household.
171. **Stalking.** To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and 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 injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.
172. **State wage information collection agency (SWICA).** The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

173. **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.
174. **Suspension.** The term on the family's voucher stops from the date the family submits a request for PHA approval of the tenancy, until the date the PHA notifies the family in writing whether the request has been approved or denied. This practice is also called tolling.
175. **Tax credit rent.** With regard to certain tax credit units, the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).
176. **Tenancy addendum.** For the housing choice voucher program, the lease language required by HUD in the lease between the tenant and the owner.
177. **Tenant.** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.
178. **Tenant-paid utilities.** Utilities and services that are not included in the rent to owner and are the responsibility of the assisted family, regardless of whether the payment goes to the utility company or the owner. The utilities and services are those necessary in the locality to provide housing that complies with HQS. The utilities and services may also include those required by HUD through a Federal Register final notice.
179. **Tenant rent to owner.** See family rent to owner [above](#).
180. **Term of lease.** The amount of time a tenant agrees in writing to live in a dwelling unit.
181. **Total tenant payment (TTP).** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.
182. **Unearned income.** Annual income, as calculated under 24 CFR 5.609 that is not earned income.
183. **Unit.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero bedrooms to six bedrooms.
184. **Unreimbursed Health and Medical Care Expenses.** Costs incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease or for treatments affecting any structure or function of the body. This includes medical insurance premiums and long-term care premiums paid or anticipated during the period for which annual income is computed. These expenses can only be deducted from annual income for elderly or disabled families and must exceed 10% of the family's annual income.
185. **Utilities.** Water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone service is not included.
186. **Utility allowance.** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost 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.
187. **Utility reimbursement.** In the voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.
188. **Utility hook-up charge.** In a manufactured home space rental: Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.
189. **Very low-income family.** A low-income family whose annual income does not exceed 50% 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% 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. This is the income limit for the housing choice voucher program.

190. **Veteran.** A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.
191. **Violence Against Women Reauthorization Act (VAWA) of 2022.** Prohibits denying admission to the program to an otherwise qualified applicant or terminating assistance on the basis that the applicant or program participant is or has been a survivor of domestic violence, dating violence, sexual assault, stalking or sex trafficking.
192. **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.
193. **Voucher (housing choice voucher).** A document issued by a PHA to a family selected for admission to the housing choice voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.
194. **Voucher holder.** A family holding a voucher with an unexpired term (search time).
195. **Voucher program.** The housing choice voucher program.
196. **Waiting list.** A list of families organized according to HUD regulations and PHA policy who are waiting for a unit to become available.
197. **Waiting list admission.** An admission from the PHA waiting list.
198. **Welfare assistance.** Income assistance from federal or state welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, childcare or other services for working families. For the FSS program (984.103(b)), welfare assistance means income assistance from federal or state welfare program and includes only cash maintenance payments designed to meet a family's ongoing basic needs.
199. **Withholding.** Stopping HAP payments to an owner while holding them for potential retroactive disbursement.

## CHAPTER 30 : EXHIBITS

### EXHIBIT 18-1: SELECTION CRITERIA FOR EOHLC DEVELOPMENT PROGRAMS

Twice yearly, the Division of Housing Development (DHD) issues a NOFA for sponsors seeking funding for rental housing development projects. Applicants are required to submit proposals via a One-Stop application package and those materials are reviewed by DHD staff with the support of contract architects. Deals seeking HIF, FCF, and/or CBH funding also are reviewed by Community Economic Development Assistance Corporation (CEDAC) staff. Proposals are reviewed according to selection criteria, generally outlined in the Commonwealth's Qualified Allocation Plan and award decisions are made based on these reviews, along with the availability of funds. Often, projects must apply several times before receiving an award. Mass Housing Investment Corporation (MHIC) designed, owns, and operates this One-Stop system for the Commonwealth's development programs. The QAP and all other related selection criteria are published on the Division's website. The One-Stop application package is available at <https://massonestopplus.intelligrants.com/>.

Linking EOHLC's PBVs with these development projects makes it possible for the division to meet their LIHTC goal of setting aside 10% of the units for households with incomes at or below 30% or area median income and to achieve the same outcomes for the other EOHLC-funded development programs.

#### Low Income Housing Tax Credits (LIHTC)

##### LIHTC Description

The Low-Income Housing Tax Credit program is a federal program overseen by the U.S. Department of the Treasury through the Internal Revenue Service. The program is administered in all 50 states by state allocating agencies. The tax credit program was first implemented in 1987 and has supported the construction or rehabilitation of over 1.5 million rental units since that time. Each allocating agency receives a certain amount of credit annually to award to eligible projects. The allocating agency in Massachusetts is the Department of Housing and Community Development (EOHLC). Two other agencies – MassHousing and MassDevelopment – are sub-allocators of certain types of credit on behalf of EOHLC. The sponsor of a rental project submitted for a tax credit allocation has the ability to sell the credits to an investor and use the sale to generate equity for the project.

The tax credit program supports the construction or rehabilitation of multifamily rental housing for individuals or households whose incomes are less than 60% of area median income. Rents in tax credit projects are established to be affordable to such households.

EOHLC's current tax credit portfolio consists of 450 projects with over 30,000 units located throughout the state. The Department monitors the projects regularly to verify physical stability and ensure that the proper income levels are being served.

##### LIHTC Funding Competitions

Each state is required to publish selection criteria for projects annually in a public document called the Qualified Allocation Plan. In accordance with this requirement, EOHLC publishes its selection criteria and holds two funding competitions each year to award the credit. Other EOHLC rental sources such as HOME are made available during the same competitions.

##### LIHTC Evaluation and Selection Criteria

During its funding competitions, EOHLC selects tax credit projects based on criteria such as: appropriateness of site; design and proposed scope of work; overall cost and amount of subsidy; target income levels; capacity of development team; marketability and feasibility of a project.

##### LIHTC Selection Team

Projects seeking LIHTC alone or in combination with other EOHLC rental resources are reviewed and unwritten by the LIHTC staff with the support of contract architects.

## **HOME Investment Partnerships Program (HOME)**

### HOME Description

HOME is a federally funded program that assists in the production and preservation of affordable housing for low and moderate-income families and individuals. The program funds a broad range of activities including new construction and acquisition and rehabilitation of existing properties.

### HOME Funding Competitions

EOHLC makes HOME funding available through the One-Stop NOFA issued twice yearly. For-profit and non-profit developers, non-profit organizations designated as Community Housing Development Organizations (CHDOs) and municipalities in cooperation with for-profit or non-profit developers are eligible to apply for funding. All rental projects are awarded funds on a competitive basis.

### HOME Evaluation and Selection Criteria

A number of selection criteria are taken into consideration when determining which projects will receive funding. An applicant must demonstrate that the project has: a strong overall concept, competent development team, suitable site and design, and is financially feasible. The scope of rehabilitation or construction is a factor, as well as the total development cost for properties included in the proposal. There must be a demonstrated need for the project in the target neighborhood and evidence of local support. Furthermore, a project's readiness to proceed and the developer's form of site control are evaluated during a project's review.

### HOME Selection Team

Applicants may seek HOME funds in conjunction with other EOHLC resources, with the exception of EOHLC Housing Stabilization Funds (HSF). If a project is seeking both HOME monies and Low-Income Housing Tax Credits (LIHTC), then the LIHTC staff will take the lead during the project's review and underwriting process. For projects not seeking LIHTC, the HOME and Housing Stabilization Fund teams partner in the review and rely on input from contract architects.

## **Housing Stabilization Fund (HSF)**

### HSF Description

The Housing Stabilization Fund (HSF) is a state funded bond program that assists in the production and preservation of affordable rental projects that serve both families and individuals with annual incomes at or below 80% of the area median income.

### HSF Funding Competitions

EOHLC makes HSF funding available through the One-Stop NOFA twice yearly. For-profit and non-profit developers, local housing authorities and municipalities in cooperation with for-profit or non-profit developers are eligible to apply for funding. All projects are awarded funds on a competitive basis.

### HSF Selection and Evaluation Criteria

A number of selection criteria are taken into consideration when determining which projects will receive funding. An applicant must demonstrate that the project has: a strong overall concept, competent development team, suitable site and design, and is financially feasible. The scope of rehabilitation or construction is a factor, as well as the total development cost for properties included in the proposal. There must be a demonstrated need for the project in the target neighborhood and evidence of local support. Furthermore, a project's readiness to proceed and the developer's form of site control are evaluated during a project's review.

### HSF Selection Team

Applicants may seek HSF funds in conjunction with other EOHLC resources, with the exception of EOHLC HOME funds. If a project is seeking both HSF monies and Low-Income Housing Tax Credits (LIHTC), then the LIHTC staff will take the lead during the project's review and underwriting process. For projects not seeking LIHTC, the Housing Stabilization Fund and HOME teams partner in the review and rely on input from contract architects.

## **Facilities Consolidation Fund (FCF)**

### FCF Description

FCF is a state bond-financed program that funds community-based housing for clients of the Department of Mental Health (DMH) and Department of Developmental Services (DDS). Only non-profit housing development agencies are eligible to apply. FCF contributes a maximum of 50% of total project development costs, with a recommended limit of \$500,000 per project.

Loans are structured as 0%, deferred payment loans with a 30-year term. EOHLC may extend the loan period for an additional 10 years if the property continues to be used for DDS or DMH-approved purposes. Loans are subject to deed restrictions and title transfer agreements as provided for in loan documents, including a promissory note, mortgage, and land use restriction.

### FCF Funds Made Available on an Ongoing Basis

All housing must be pre-approved by DDS or DMH. These agencies provide services to residents, and all residents are DMH or DDS clients. (N.B. EOHLC has advised DMH and DDS that no PHA can accept PBA projects that require applicants to be clients of a particular organization or have a particular disability in order to be eligible for selection. The basis for selection must be in accordance with [24 CFR 983.251\(d\)](#). See Section [20.24](#) Preferences for details. Projects are underwritten for economic feasibility by EOHLC's technical assistance partner, the Community Development Economic Assistance Corporation (CEDAC).

EOHLC makes FCF funding available continuously. Applicants must complete a pre-application and, if approved, submit a One-Stop Housing Application to both EOHLC and CEDAC.

### FCF Selection and Evaluation Criteria

FCF loans may use for the reasonable and necessary hard and soft costs to develop an eligible project, including costs of acquisition, construction, architecture/engineering, environmental testing and remediation, insurance, taxes, surveys and permits, development consultants, legal services, financing, relocation, title and recording, inspection services, marketing and rent-up, and developer overhead and fees.

### FCF Selection Team

DHD and CEDAC staff review these rolling applications and makes selection recommendations.

## **Housing Innovations Fund (HIF)**

### HIF Description

HIF is a state bond-financed program that assists in the production and preservation of affordable "innovative" housing for low and moderate-income families and individuals. HIF projects typically involve a substantial level of supportive services for residents, including single person occupancy (SRO) housing, senior housing, and various kinds of transitional housing for homeless people, veterans, survivors of domestic violence, and recovering substance abusers. The program funds a broad range of activities including the hard and soft costs of acquisition, renovation, and new construction. HIF loans are for 30 years, and the maximum amount is typically \$500,000 or up to 50% of the project's total development cost. 50% of residents in HIF projects must be low income (80% AMI or less), and 25% must be extremely low income (higher of 30% of AMI or federal poverty level).

### HIF Funding Competitions

EOHLC makes HIF funding available through the One-Stop NOFA twice yearly. Only non-profit developers are eligible for HIF. Projects are awarded funds on a competitive basis.

#### HIF Evaluation and Selection Criteria

A number of selection criteria are taken into consideration when determining which projects will receive funding. An applicant must demonstrate that the project has an HIF-eligible purpose, a competent development team, suitable site and design, and is financially feasible. The project must have secured or be able to secure funding from other sources. The adequacy of the scope of rehabilitation or construction is considered, as well as the total development cost. The appropriateness, quality and continuing availability of supportive services must be demonstrated. Finally, the project's readiness to proceed is evaluated.

#### HIF Selection Team

Applicants typically seek HIF funds in conjunction with other EOHLC resources. If a project is seeking HIF in combination with Low Income Housing Tax Credits (LIHTC), HOME or HSF funds, then those program's staff typically take the lead during the project's review and underwriting process.

EOHLC subcontracts with the Community Economic Development Assistance Corporation (CEDAC) to provide technical assistance, underwriting review, and loan closing services for HIF.

### **Community Based Housing (CBH)**

#### CBH Description

CBH is a state bond-financed program that provided 0% deferred loans for housing for disabled people who are institutionalized or at risk of institutionalization. Clients of the Department of Mental Health (DMH) and the Department of Developmental Services (DDS) are not eligible for CBH units (because they are eligible for the state-financed FCF, see above). Clients must be certified by the Massachusetts Executive Office of Health and Human Services (EOHHS) through its lead agency for CBH, the Massachusetts Rehabilitation Commission (MRC). (N.B. EOHLC has advised EOHHS and MRC that no PHA can accept PBA projects that exclude applicants who happen to be clients of a particular organization or have a particular disability. However, the final rule at [24 CFR 983.251\(c\)](#) permits site-specific waiting lists for each individual PBV project and EOHLC has included a tenant selection preference targeted to households living in institutions or at risk of institutionalization (see Section [20.24.6](#)).

Only non-profit housing development agencies, or entities controlled by non-profits, are eligible to receive these loans. CBH contributes a maximum of 50% of the total project development costs, with a limit of \$75,000 per project. Typically, a few (2-8) CBH units are included in a larger rental development.

CBH loans are structured as 0% deferred payment loans with a minimum 30-year term. EOHLC may extend the loan period in 10-year increments if the property continues to be used for approved purposes. Loans are subject to deed restrictions and title transfer agreements as provided for in the loan documents, including a promissory note, mortgage, and land use restriction.

#### CBH Funds Made Available on an Ongoing Basis

At present, EOHLC makes CBH funds available continuously and also through its biannual rental housing funding rounds. In any case, applicants must submit a complete One-Stop Housing Application to both EOHLC and CEDAC.

All housing units must be pre-approved by MRC. Various state and private agencies provide services to residents, although not all residents require services to maintain a tenancy in a CBH unit.

#### CBH Selection and Evaluation Criteria

All CBH projects are evaluated for threshold eligibility, financial feasibility, readiness to proceed, appropriateness for the intended resident population, and quality of available support service plans.

Applicants typically seek CBH funds in conjunction with other EOHLC resources through the biannual rental housing funding rounds. If a project is seeking funds in combination with LIHTC, HOME, FCF, or HSF funds, then those program’s staff typically take the lead during the project’s review and underwriting process.

EOHLC subcontracts with CEDAC to provide technical assistance, underwriting review, and loan closing services for CBH.

# CHAPTER 31 : INCOME EXCLUSION ADDENDUM

## 31.1 REVISED INCOME EXCLUSIONS:

24 CFR 5.609(b)

For all income examinations with an effective date on or after July 1, 2025, the RAAs must utilize this list of income exclusions. Please note that this does not reference **all** income exclusions but rather provides guidance on new or revised income exclusions. For the full list of income exclusions, please refer to the regulations at 24 CFR 5.609(b).

Item Excluded	Exclusion	Notes
<p><b>Nonrecurring Income:</b> Income that will not be repeated beyond the coming year (i.e., the 12 months following the effective date of the certification). However, income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under 24 CFR 5.609(b)(24), even if the source, date, or amount of the income varies.</p>		
Payments from the U.S. Census Bureau	For U.S. Census employment lasting no longer than 180 days and not culminating in permanent employment.	
Economic Stimulus or Recovery Payments	Direct federal or state economic stimulus payments.	HUD will continue to advise which payments are considered economic stimulus or recovery payments for the purposes of income calculation.
State Tax Refunds	Amounts directly received by the family as a result of state refundable tax credits or state tax refunds <b>at the time they are received.</b>	12 months after the receipt of this payment, it will be included in the net family assets unless the asset is specifically excluded.
Federal Tax Refunds	Amounts directly received by the family as a result of federal refundable tax credits and federal tax refunds <b>at the time they are received.</b>	12 months after the receipt of this payment, it will be included in the net family assets unless the asset is specifically excluded.
Gifts	Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding, baby shower, or anniversary gifts).	
In-Kind Donations	Non-monetary in-kind donations, such as food or toiletries, received from a food bank or similar organization as no monetary value can be assigned to these.	<b>Non-recurring</b> , non-monetary in-kind donations from friends and family may also be excluded as non-recurring income.

Item Excluded	Exclusion	Notes
Lump-Sum Additions to Net Family Assets	Including but not limited to lottery or other contest winnings, are excluded from annual income.	May be included as part of net family assets but not considered income.
<b>Trust Distributions:</b>		
Irrevocable trust or a revocable trust outside the control of the family or household	Exclude distributions of the principal or main assets of the trust as well as distributions of income from the trust when they are used to pay the cost of health/medical care expenses for a minor.	Please see 24 CFR 5.609(b)(2) regarding certain distributions of irrevocable trusts or revocable trusts outside the control of the family or household (including most Special Needs Trusts).
Certain Payments Received by Tribal Members	Payments made under the Cobell Settlement, and certain per-capita payments under the recent Tribal Trust Settlements.	In MA, the Mashpee Wampanoag Tribe and the Passamaquoddy, Penobscot, Maliseet, and Micmac Tribes have entered into settlement agreements.
<b>Student Financial Assistance:</b> 24 CFR 5.609(b)(9) The treatment of student financial assistance depends on the type of financial assistance received by the student. The student financial assistance rules apply to both full-time and part-time students.		
Achieving a Better Life Experience (ABLE) Accounts	Income generated from ABLE accounts is not considered when calculating income from assets. Distributions from these accounts are also excluded from income.	Certain contributions deposited into ABLE accounts are excluded in addition to the afore-mentioned exclusions.
Coverdell Education Savings Accounts, 529 Accounts and “Baby Bond” Accounts	Income and distributions from afore-mentioned accounts.	
<b>Other Income Sources:</b>		
Family Self Sufficiency (FSS) Income Earned	Income earned on amounts placed in a family’s FSS account is excluded from the family’s calculation of annual income.	
Income of Live-in Aides, Foster Children, and Foster Adults	Income of a live-in aide, foster child, or foster adult as defined in 24 CFR 5.403 and 5.603 is excluded from the family’s calculation of annual income.	

Item Excluded	Exclusion	Notes
Foster Care Payments	Payments received for the care of foster children or foster adults, or state or Tribal kinship or guardianship care payments.	Also applies to Kinship Guardian Assistance Payments (KinGAP), kinship care payments, and other state-based kinship or guardianship payments that are alternatives to traditional foster care programs.
Insurance Payments or Settlements	Payments for personal or property losses.	Including (but not limited to) health insurance, motor vehicle, & workers' comp.
Civil Action Recoveries or Settlements	Any amounts received based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of a law that resulted in a member of the family becoming a person with disabilities.	
Civil Rights Settlements or Judgments	Any settlements or judgments, including settlements or judgments for back pay.	Historically applied to only lump-sum additions to assets but now include amounts distributed on a periodic payment schedule and back pay.
Children under 18 years of age	Earned income from children under 18 years of age is fully excluded.	
Full-Time Student Income	Earned income of dependent full-time students in excess of the amount of the deduction for a dependent of \$480.	Full-time students must be dependent family members for this exclusion to apply. This exclusion does not apply to the head of household, spouse, or co-head. This does not exclude unearned income.
Adoption Assistance Payments	Adoption assistance payments in excess of \$480 (dependent deduction amount) per adopted child.	
Veterans Regular Aid and Attendance	Payments to veterans in need of regular aid and attendance.	Certain veterans are eligible for "aid and attendance" payments from the Veterans Affairs (VA) Administration. These payments are distinct from payments made to veterans under other VA programs.

Item Excluded	Exclusion	Notes
Home-Based Care Payments	Payments made by or authorized by a state Medicaid agency or other state or federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit.	Both the person providing the care and the person who has the disability must be <b>family members</b> (not household members) and must live in the same assisted household. The exclusion does not apply to the income earned by the family for other caregiving services provided to individuals outside of the assisted household.
Loan Proceeds	The net amount disbursed by a lender to a borrower under the terms of a loan agreement, received by the family or a third party.	This may include, but are not limited to, personal loans (with a loan agreement) and student loans. The borrower or co-borrower must be a member of the family.
Replacement Housing Gap Payments	"Gap" payments to offset the increased out-pocket costs of displaced persons who move from one federally subsidized housing unit to another federally subsidized housing unit.	These payments are included if the increased cost of rent and utilities is reduced or eliminated but the gap payments continue. (Gap payments cover a minimum 42 months of tenancy in a new unit.)
Gross Income from Self-Employment or Operation of a Business	All income amounts received into the business, prior to the deduction of business expenses; And withdrawals of cash/assets from the operation of the business used to reimburse the family for cash/assets previously invested in the operation of the business.	Net income (gross income amount minus business expenses) is considered income.
Exclusions from Other Federal Statutes	<a href="https://www.federalregister.gov/d/2024-01873">All amounts that HUD is required by federal statute to exclude: 89 FR 6126 - https://www.federalregister.gov/d/2024-01873</a>	Some Examples (not exhaustive): Payments received by a Veteran from the Agent Orange Settlement Fund, payments made under the Victims of Crime Act of 1984 & Payments received from programs funded under Title V of the Older Americans Act of 1965