



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

Charles D. Baker, Governor ♦ Karyn E. Polito, Lieutenant Governor ♦ Chrystal Komegay, Undersecretary

Public Housing Notice 2016-37

To: Local Housing Authorities
From: Amy Stitely, Acting Associate Director, Division of Public Housing & Rental Assistance
Subject: Guidance on Implementation of Changes in the Law Pertaining to Veterans
Date: November 17, 2016

This Public Housing Notice (PHN) supersedes, PHN 2016-32, regarding guidance to Local Housing Authorities (LHAs) on the implementation of changes pertaining to veterans, as noted in [PHN #2016-29](#). In accordance with Chapter 141, "An Act Relative To Housing, Operations, Military Service, And Enrichment," LHAs must implement three changes to Chapter 121B, the Housing Authority Law, regarding veterans in state-aided public housing. Two of these changes affect tenant selection for applicants who are veterans, and the other change affects rent calculations.

We received several questions regarding implementation of this new law, as noted below.

NOTE: In this PHN, DHCD has changed its guidance on rent determination for situations where LHAs previously, at their discretion, granted an **\$1,800 per year exclusion for a veteran receiving 100% disability income under the previous law. See highlighted language on page 3.**

EFFECTIVE DATE

When are these changes effective?

The Act was an emergency act, effective upon passage. The amendment was signed on October 6, 2016; therefore, the effective date is October 6, 2016.

IMPLEMENTATION OF CHANGES TO TENANT SELECTION

Does this change to the veterans preference only apply to new applicants?

No.

Does the change apply to applicants currently on the waiting list?

Yes. LHAs should update the waiting list for c. 667 only. LHAs can send a form letter to the applicants on their waiting lists to notify them of the change and to request that the applicant provide the LHA with a copy of their DD 214 form, if they are a veteran who is not a local resident. (Applicants who were local resident veterans were already getting preference under the existing regulation. The new law expands the preference to non-local resident veterans.) The veterans preference update can be combined with the regular waiting list update if it is scheduled to be conducted soon.

Will DHCD update the Universal Application to reflect the changes to the veterans preference?

Yes, DHCD has updated the *Universal STANDARD Application for State-Aided Public Housing, MRVP and AHVP* in English and in Spanish. These updated applications can be found at the following link: <http://www.mass.gov/hed/housing/ph-manage/public-housing-applications-and-documentation.html>. We will update the Universal Applications in Chinese, Haitian Creole, Khmer and Portuguese and post them on the website, when completed.

IMPLEMENTATION OF CHANGES TO RENT CALCULATION

Is the \$1,800 exclusion calculated on an annual basis?

No. It is calculated on a **monthly** basis. The Act says to exclude income from 100% disability veterans benefits of more than \$1,800 **per month**. Therefore, assuming the veteran's only source of income is disability compensation paid by the federal government to the veteran who is 100% disabled and unemployable because of a service connected disability, the LHA **must** exclude disability income of more than \$21,600, per year, prospectively ($\$1,800 \times 12 = \$21,600$).

An LHA no longer has discretion on whether to exclude any income from 100% disability veterans benefits. Amounts of such income that exceed \$1,800 per month **must** be excluded.

Please be advised that no deductions may be applied against the excluded income.

How do we implement the rent calculation change for tenants at LHAs that have previously exercised discretion to exclude veterans 100% disability income under the former law? Are those tenants who have been receiving the exclusion “grandfathered in?”

For LHAs that have implemented the \$1,800 annual exclusion for current veteran tenants, prior to this change in the law:

The LHA **must** continue to exclude all but \$1,800 of the annual amount of the disability compensation paid by the federal government to the veteran who is 100% disabled and unemployable because of a

service connected disability **until DHCD promulgates amended regulations in accordance with the new law.**

For LHAs that did not implemented the \$1,800 annual exclusion prior to the change in the law:

If, prior to the change in the law, the LHA did not exclude any amount of the federal disability compensation received by the unemployable 100% disabled veteran, the LHA must implement the new required change in rent calculation, upon request by the tenant who is eligible for the exclusion, but no later than the next scheduled re-determination for such tenant.

How do we implement the rent calculation change for new tenants who are eligible for the income exclusion?

LHAs must implement the change to the rent calculation for new tenants who are eligible for the exclusion upon lease up. The veteran's initial rent determination must exclude all federal disability compensation received by unemployable 100% disabled veteran in excess of \$1,800.00 **per month**.

Please note that the law does not apply retroactively. So any rental calculations, changes, and/or credits that were done prior to October 6, 2016 are not affected by the implementation of this law.

Please call your DHCD Housing Management Specialist with any questions about these changes or this guidance.