

Chapter 12

RECERTIFICATIONS

[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, the HOC will reexamine the income and household composition of all families at least annually, except for those with a fixed source of income who may be eligible for reexamination only once every three years. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulation. It is a HUD requirement that families report all changes in household composition. This Chapter defines HOC's policy for conducting recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

There are three activities HOC must conduct on an annual basis. These activities will be coordinated whenever possible:

Recertification of Income and Family Composition (except for those with a fixed-income)

HQS Inspection

Rent to Owner Adjustment (following HUD requirements [Regular Tenancy Certificate only])

HOC produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to Total Tenant Payment/Family Share can be made. Requests for rent adjustments and other monetary changes will be transmitted to the Housing Resources Division.

Reexamination of the family's income and composition must be conducted at least annually.

Annual inspections: See "Housing Quality Standards and Inspections" chapter.

Rent Adjustments: See "Owner Rents, Rent Reasonableness and Payment Standards" chapter.

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be recertified at least annually, except for those with a fixed source of income who may be eligible for reexamination only once every three years. At the first interim or annual certification on or after June 19, 1995, family members must report and verify their U.S. citizenship/eligible immigrant status.

Fixed-Income Families

At HOC's discretion income determinations for any family member with a fixed source of income may result in reexamination only once every three years, instead of annually. Note that the family member may also have non-fixed sources of income, which remain subject to third-party verification. Upon request of the family, HOC must perform third-party verification of all income sources. Note that this provision pertains only to the verification of sources of income; HOC must continue to conduct third-party verification of deductions. For purposes of this Notice, the term "fixed-income" includes income from:

- Social Security payments, to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);
- Federal, state, local, and private pension plans; and
- Other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic payments.

This determination will be made by applying a verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount. The COLA or current interest rate applicable to each source of fixed income must be obtained either from a public source or from tenant provided, third-party generated documentation. In the absence of such verification for any source of fixed income, third-party verification of income amounts must be obtained.

For any family member whose income is determined pursuant to this streamlined fixed-income determination, third-party verification of all income amounts for all family members must be performed at least every three years. This means that, for the third income determination involving a family member whose income had been adjusted twice using a streamlined income determination, HOC would need to obtain third-party verification of all income amounts. This also means that if a family member with a fixed income source is added to the family during year two, for example, then HOC must obtain third-party verification of all income amounts for that family member at the next reexamination if HOC wishes to have all family members with fixed incomes on the same schedule with respect to streamlined annual reexaminations.

Pre-Merger Reexamination Issues

For all pre-merger tenancies the rent calculation methods will not change until the effective date of the second regular reexamination of family income and composition, following the merger date, unless the family moves or accepts a new lease from the owner.

If there has been an increase in the payment standard prior to the effective date of the first regular reexamination of a pre-merger Voucher or Over Fair Market Rent Tenancy Certificate following the merger date, the family will receive the benefit of the higher payment standard, provided there has not been a change in family size or composition that would require the PHA to adjust the family unit size.

Moves Between Reexaminations

When families move to another dwelling unit the anniversary date for the recertification will be changed.

Income limits are not used as a test for continued eligibility at recertification.

Reexamination Notice to the Family

The PHA will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least 120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the PHA will provide the notice in an accessible format. The PHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

Procedure

The PHA's procedure for conducting annual recertifications will be to schedule the date and time of appointments and mail a notification to the family

Completion of Annual Recertification

The PHA will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family rent.

Persons with Disabilities

Persons with disabilities who are unable to come to the PHA's office will be granted an accommodation by conducting the interview including an interview in the participant's home or by mail upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information [24 CFR 982.516(0)]

The PHA has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

The PHA will require the family to complete a Personal Declaration Form prior to all recertification interviews.

Requirements to Attend

The following family members will be required to attend the recertification interview:

The head of household only.

If the head of household is unable to attend the interview:

The spouse/co-head may recertify for the family.

Failure to Respond to Notification to Recertify

The written notification must state which family members are required to attend the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the PHA, the PHA will reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the PHA will:

Send family notice of termination and offer them an informal hearing.

Exceptions to these policies may be made by the Rental Assistance Specialist if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability. Written notification will be sent to the owner and family of the reschedule appointment.

Documents Required From the Family

In the notification letter to the family, the PHA will include instructions for the family to bring the completed Recertification Packet, along with supporting documentation. The PHA will periodically require the family to submit documentation to support special needs including live-in attendants, equipment or other items as specified by a reliable, knowledgeable professional such as a doctor, social worker or caseworker.

Verification of Information

The PHA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 60 days old.

Tenant Rent Increase

If tenant rent increases, a 30 day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

If less than 30 days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following the 30 day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

Tenant Rent Decreases

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the PHA.

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

Program participants must report all changes in household composition to the PHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.

New family members that can be added are additions due to birth, adoption and court awarded custody. Exceptions may be made for a reasonable accommodation for a live in aide, or adding a spouse or significant other, an elderly relative in an effort to improve the quality of life of the relative, or a returning household member under the age of 21.

The PHA will verify that the family member to be added has been approved by the current landlord. This verification shall be provided by the landlord in writing. The PHA will determine the eligibility of the individual prior to addition. Once the individual is approved for addition, a revised contract addendum is required to be executed and a new lease or lease amendment will be necessary.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

Increases in Income

Interim Reexamination Policy

The PHA may conduct interim reexaminations when families report an increase in income.

The PHA may, but is not required to, conduct an interim change.

Decreases in Income

Participants may report a decrease in income and other changes that would reduce the amount of tenant rent, such as an increase in allowances or deductions. The PHA must calculate the change if a decrease in income is reported.

PHA Errors

If the PHA makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will

not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

D. OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification.

If there is a change from benefit income to employment income, the PHA may defer the family's rent increase until the next annual recertification to encourage families to move to self-sufficiency.

This incentive will only be provided once to any family member.

If the family member leaves the job without good cause after six months and before twelve months, the rent will be calculated retroactively to include the employment income.

This incentive is not provided to persons who work seasonally.

In the following circumstances, the PHA may conduct the interim recertification by mail:

- Changes that will not result in a change in tenant rent or voucher size.
- Changes in income that are normal for the family, such as seasonal employment.
- As a reasonable accommodation when requested. (See "Statement of Policies and Objectives" chapter)

Any changes reported by participants other than those listed in this section will be noted in the file by the staff person but will not be processed between regularly-scheduled annual recertifications.

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The PHA will not reduce the family share of rent for families whose welfare assistance is reduced specifically because of:

fraud; or

failure to participate in an economic self-sufficiency program; or

noncompliance with a work activities requirement

However, the PHA will reduce the rent if the welfare assistance reduction is a result of:

The expiration of a lifetime time limit on receiving benefits; or

A situation where the family has complied with welfare program requirements but cannot or has not obtained employment.

The PHA will notify affected families that they have the right to an informal hearing regarding these requirements.

(See "Verification Procedures" chapter.)

Cooperation Agreements

The PHA cooperates with the local welfare agency to ensure timely and accurate verification of noncompliance.

The PHA has taken a proactive approach to culminating an effective working relationship between the PHA and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Section 8 tenant-based assistance families.

The PHA and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.

E. NOTIFICATION OF RESULTS OF RECERTIFICATIONS [HUD Notice PIH 98-6]

The HUD form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. If the family disagrees with the rent adjustment, they may request an informal hearing.

G. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS) [24 CFR 982.516(c)]

Standard for Timely Reporting of Changes

If required by the PHA, families will report interim changes to the PHA within 10 days of when the change occurs. Any information, document or signature needed from the family that is needed to verify the change must be provided within 10 days of the change.

An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within 10 days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures when the Change is Reported in a Timely Manner

Refer to procedures in Chapter 7, Verification Procedures.

Procedures when the Change is Not Reported by the Family in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement.

Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported.

Procedures when the Change is Not Processed by the PHA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

In this case, an increase will be effective after the required 30 days' notice prior to the first of the month after completion of processing by the PHA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

H. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES [24 CFR 982.516(c)]

(See "Subsidy Standards" chapter.)

I. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.518]

Under the Non-citizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The Non-citizens Rule was implemented on or after November 29, 1996, and mixed families may receive prorated assistance only.

J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum.)