

Proposed Revisions to  
HOC's Administrative Plan for the Housing Choice Voucher Program

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Please note: Existing language is in **BLACK** and proposed changes are in **RED**.

**Chapter 1**

**STATEMENT OF POLICIES AND OBJECTIVES**

**INTRODUCTION**

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which re-codified the U.S. Housing Act of 1937. The Act ~~has been~~is amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, ~~is~~are described in, and implemented throughout, this Administrative Plan. The Section 8 rental assistance programs are federally funded and administered for Montgomery County, Maryland by the Housing Opportunities Commission of Montgomery County, Maryland (HOC) through its ~~Assisted~~-Housing Resources Division.

Administration of the Section 8 Program and the functions and responsibilities of ~~the Housing Authority (PHA)~~ HOC's staff ~~shall~~bear in compliance with the ~~PHA's~~HOC's Personnel Policy and the U.S. Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as all other relevant Federal, State and local fair housing laws and regulations.

**Jurisdiction**

~~The HOC's~~ jurisdiction ~~of HOC~~in which to administer the Section 8 Housing Choice Voucher (HCV) Program is the county of Montgomery in the state of Maryland, exclusive of the City of Rockville.

**A. MISSION STATEMENT OF THE HOUSING OPPORTUNITIES COMMISSION**

~~The Housing Opportunities Commission of Montgomery County, Maryland (HOC)~~ currently operates a Section 8 Existing Program funded by ~~the Department of Housing and Urban Development (HUD)~~. The program began in February 1976 when HOC and HUD entered into an Annual Contributions Contract (ACC) for the administration of ~~the~~ Housing Assistance Payments to assist 330 families. Since that time, HOC's ~~s~~Successful operation of the program ~~since that time~~ ~~has~~ resulted in subsequent funding to HOC from HUD through allocation by a fair share formula and by awarding of funds through a competitive process resulting in funds supporting payments to many additional families. ~~The HOC's~~ Commission, which oversees the operation of the Section 8 Program, approves the use of the administrative fee reserve.

HOC's mission for the Section 8 Existing Program is to provide rent subsidies and affordable housing choices to qualified families while simultaneously providing customer friendly service to applicants, participating families, landlords, and the community at large. The emphasis in this program is to enable families of extremely and very ~~low~~low incomes to seek ~~decent~~the housing of

their choice in the private market, and to receive the rental assistance necessary to obtain that housing. The Section 8 program provides Housing Assistance Payments (HAP) ~~(the difference between what an eligible family can afford to pay for housing, and the amount required to obtain decent housing in this County)~~ as determined in accordance with schedules and criteria established by HUD. HAP funds are the difference between what an eligible family can afford to pay for housing, and the amount required to obtain decent housing in Montgomery County.

Beginning in 1979, HOC ~~has~~ provided resident support services and assistance, as needed, to program participants to ensure that they ~~will beare~~ successful members of the community. ~~Recently Today, the HOC's~~ Resident Services Division's Section 8 Counselors ~~have work to~~ reduced the number of serious disturbance complaints from the community about Section 8 households through increased outreach and education of residents, timely response to complaints and increased Agency presence in locations where persistent problems exist. It is the policy of HOC and its employees to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing fair housing and equal opportunity in housing and employment. HOC ~~shall does~~ not deny any family or individual the opportunity to apply for, or receive, assistance under the Section 8 HCV Program on the basis of race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, handicap or disability, or sexual orientation.

**B. LOCAL GOALS** [24 CFR 982.1]

**HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.**

X ~~PHA-HOC~~ Goal: Expand the supply of assisted housing

Objectives:

X Apply for additional rental vouchers

~~X~~ Reduce public housing vacancies

X Leverage private or other public funds to create additional housing opportunities

X Acquire or build units or developments

X ~~PHA-HOC~~ Goal: Improve the quality of assisted housing

Objectives:

~~X~~ Improve public housing management (PHAS score)

X Improve voucher management (SEMAP score)

X Increase customer satisfaction

Concentrate on efforts to improve specific management functions (e.g., public housing finance; voucher unit inspections)

**PHA-HOC** Goal: Increase assisted housing choices

Objectives:

Provide voucher mobility counseling

Conduct outreach efforts to potential voucher landlords

Increase voucher payment standards

Implement voucher homeownership program

Implement public housing or other homeownership programs

Implement public housing site-based waiting lists

Convert public housing to ~~vouchers~~ **Project-Based Section 8**

Other: (list below)

Other **PHA-HOC** Goal/s and objectives: (List below)

### **HUD Strategic Goal: Improve community quality of life and economic vitality**

**PHA-HOC** Goal: Provide an improved living environment

Objectives:

Implement measures to de-concentrate poverty by bringing higher income public housing households into lower income developments.

Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments.

Implement public housing security improvements.

Designate developments or buildings for particular resident groups (elderly, persons with disabilities.)

Other: (list below)

Other **PHA-HOC** Goal/s and objectives: (List below)

**HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals**

~~PHA-HOC~~ Goal: Promote self-sufficiency and asset development of assisted households.

Objectives:

Increase the number and percentage of employed persons in assisted families.

Provide or attract supportive services to improve assistance recipients employability.

Provide or attract supportive services to increase independence for the elderly or families with disabilities.

Other: (list below)

Other ~~PHA-HOC~~ Goal/s and objectives: (List below)

**HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans**

~~PHA-HOC~~ Goal: Ensure equal opportunity and affirmatively further fair housing.  
Objectives:

Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability.

Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability.

Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required.

Other: (list below)

In addition, HOC has the following goals for the HCV program:

- *To assist the local economy by increasing the occupancy rate and the amount of money flowing into the community.*
- *To encourage self-sufficiency of participant families and assist in the expansion of family opportunities which address educational, socioeconomic, recreational, and other human service needs.*

- *To create positive public awareness and expand the level of family, owner, and community support in accomplishing HOC's mission.*
- *To attain and maintain a high level of standards and professionalism in ~~our~~ HOC's day-to-day management of all program components.*
- *To administer an efficient, high-performing agency through continuous improvement of HOC's support systems and commitment to ~~our~~ HOC's employees and their development.*

**C. PURPOSE OF THE PLAN** [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the HCV programs in a manner consistent with HUD requirements and the local goals and objectives contained in the Public Housing Agency (PHA) Plan. The Housing Choice Voucher Program is implemented as of October 1, 1999. ~~The pre-merger Regular Tenancy Certificate Contracts, Housing Voucher Contracts, and Over Fair Market Rent Tenancy Contracts will remain in effect until the family's second reexamination after the merger date or whenever a new lease is executed, whichever comes first. The PHAHOC~~ is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations ~~will~~ have precedence. The original Administrative Plan and any changes ~~must be~~ approved by the HOC's Board of Commissioners ~~of the agency~~, the pertinent sections included in the Agency PHA Plan, and a copy provided to HUD.

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 982: Section 8 Tenant-Based Assistance

**D. ADMINISTRATIVE FEE RESERVE** [24 CFR 982.54(d)(22)]

HOC will not make eExpenditures from the Administrative Reserve (Operating Reserve) for other housing purposes ~~shall not be made~~ without the prior approval of the PHAHOC's Board of Commissioners.

**E. RULES AND REGULATIONS** [24 CFR 982.52]

This Administrative Plan is set forth to define ~~the PHAHOC's~~ local policies for the operation of the housing-HCV programs in the context of Federal laws and rRegulations. All issues related to Section 8 that are not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other applicable laws.

**F. TERMINOLOGY**

The Housing Opportunities Commission of Montgomery County (HOC) is often referred to as "PHA" or "Housing Authority" throughout this document.

"Family" is used interchangeably with "Applicant" or "Participant" and can refer to a single person family.

"Tenant" is used to refer to participants in terms of their relation to landlords.

"Landlord" and "owner" are used interchangeably.

"Disability" is used where "handicap" was formerly used.

"Non-Citizens Rule" refers to the regulation effective June 19, 1995 restricting assistance to U.S. citizens and eligible immigrants.

The Section 8 programs are also known as the Regular Tenancy Certificate, Over-FMR Tenancy (OFTO) and Voucher Programs. The Voucher Choice program refers to the merged program effective as of August 12, 1999.

"HQS" means the Housing Quality Standards required by regulations as enhanced by ~~the PHA~~HOC.

"Failure to Provide" refers to all requirements in the first Family Obligation. See the "Denial or Termination of Assistance" chapter in this Administrative Plan.

~~"Merger date" refers to October 1, 1999, which is the effective date of the merging of the Section 8 Certificate and Voucher program into the Housing Choice Voucher Program.~~

See the Glossary for other terminology.

## **G. FAIR HOUSING POLICY** [24 CFR 982.54(d)(6)]

It is the policy of ~~the Housing Authority~~HOC to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing fair housing and equal opportunity in housing and employment.

~~The PHA shall~~HOC will not deny any family or individual the equal opportunity to apply for, or receive, assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability, or sexual orientation.

To further its commitment to full compliance with applicable Civil Rights laws, ~~the PHA will~~HOC provides Federal/State/local information, including the toll free number for the Housing Discrimination Hotline: 1-800-669-9777, to ~~v~~Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information ~~will be made~~is available during the family briefing session, and all applicable fair

housing information and discrimination complaint forms ~~will be made~~are a part of the Voucher holder's briefing packet, and available upon request at the front desk.

In an effort to affirmatively further fair housing, HOC will:

1. Advertise widely in the community for the coordinator position or positions;
2. Market the program to all eligible persons including persons with disabilities and persons with limited English proficiency (LEP);
3. ~~Make~~Create buildings and communications options that facilitate applications and service delivery accessible to persons with disabilities;
4. Provide fair housing counseling services or referrals to fair housing agencies;
5. Inform participants of how to file a fair housing complaint; and
6. Recruit landlords and service providers in areas that expand housing choice for hHomeownership participants and housing mobility.

All Housing AuthorityHOC staff ~~will be~~are required to attend fair housing training ~~and to~~ informed ~~them~~ of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of ~~the HOC's~~ overall commitment to quality customer service. Fair hHousing posters are posted throughout ~~the Housing Authority~~HOC's office/s, including in the lobby and interview rooms, ~~and~~ ~~€~~The equal housing opportunity logo ~~will be~~is used on all outreach materials. Staff ~~will attend~~s local fair housing update training sponsored by HUD and other local organizations to keep current with new fair housing developments.

Except as otherwise provided in the Code of Federal Regulations at 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because ~~the PHA~~HOC's facilities are inaccessible to, or unusable by, persons with disabilities. Posters and housing information are displayed in locations throughout ~~the PHA~~HOC's office in such a manner as to be easily readable from a wheelchair. ~~The HOC's offices~~ isare accessible to ~~persons~~people with disabilities. Accessibility for the hearing impaired is provided by the Maryland Relay service.

#### **H. REASONABLE ACCOMMODATIONS POLICY** [24 CFR 700.245(c)(3)]

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

A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of his/her disability before ~~the PHA~~HOC will treat a person differently than anyone else. ~~The PHA~~HOC's policies and practices ~~will be~~are designed to provide assurances that



persons with disabilities ~~will be~~ given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and any related services. The availability of requesting an accommodation ~~will be~~ made known by including notices of the availability of disability accommodations on ~~PHA-HOC~~ forms and letters. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities. This policy is applicable to all situations described in this Administrative Plan including when a family initiates contact with ~~the PHAHO~~, when ~~the PHAHO~~ initiates contact with a family (including when a family applies), and when ~~the PHAHO~~ schedules or reschedules appointments of any kind.

~~To be e~~Eligibility to request a reasonable accommodation, requires that the requester must first certify (if apparent) or verify (if not apparent) that they are a person with a disability under the following Americans with Disabilities Act (ADA) definition:

A physical or mental impairment that substantially limits one or more of the major life activities of an individual;

A record of such impairment; or

Being regarded as having such an impairment.

*Note: This is not the same as ~~the~~ HUD's definition used for purposes of determining allowances.*

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 24 CFR 5.403(a), individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

Once the person's status as a qualified person with a disability is confirmed, ~~the PHA will~~HOC requires that a reliable, knowledgeable professional health provider, such as a doctor, social worker, or caseworker competent to make the assessment, provide written verification that the person needs the specific accommodation due to his/her disability and that the change is required for the person to have equal access to the housing program.

If ~~the PHAHO~~ finds that the requested accommodation creates an undue administrative or financial burden for the Agency, ~~the PHAHO~~ will either deny the request and/or present an alternate~~alternative~~ accommodation that will still meets the needs of the person with disabilities.

An undue administrative burden is one that requires a fundamental alteration of the essential functions of ~~the PHAHO~~ (i.e., waiving a family obligation).

An undue financial burden is one that when considering the available resources of the Agency as a whole, the requested accommodation would pose a severe financial hardship on ~~the PHAHO~~.



~~The PHA will~~HOC provides a written decision to the person requesting the accommodation within a reasonable time. If a person is denied ~~their requested~~ accommodation or feels that the alternative ~~suggestions accommodation provided is~~are inadequate, they may request an informal hearing to ~~review the PHA~~appeal HOC's decision.

Reasonable accommodations ~~will be~~are made for a person with a disability that requires an advocate or accessible offices. A designee ~~will be~~is allowed to provide some information, but only with the permission of the person with the disability.

~~Upon request, a~~All PHA-HOC mailings ~~will be made~~are available in an accessible format ~~upon request~~, as a reasonable accommodation for customers with disabilities.

### **Verification of Disability**

~~The PHA will~~HOC verifies disabilities ~~under based on the~~ definitions in the Fair Housing Amendments Act of 1988, Section 504 of the 1973 Rehabilitation Act, and the Americans with Disabilities Act of 1990.

### **Outreach**

Outreach efforts ~~will~~include notification of non-profits and County agencies, as well as all other media and agencies listed in ~~the PHA~~HOC's Administrative Plan regarding public notices (see section ~~on opening and closing~~discussing the waiting list in the "Applying for Admission" chapter of this Administrative Plan.)

### **Applying for Admission**

All persons who wish to apply for any of ~~the PHA~~HOC's programs must submit a pre-application as indicated in ~~our the~~ "Applying for Admission" chapter of this Administrative Plan~~public notice~~. ~~Upon request, a~~Applications ~~will be made~~are available in an accessible format ~~upon request from to~~assist people ~~a person~~ with a disabilitiesy.

~~To provide specific accommodation to persons with disabilities, upon request, the information may be mailed to the applicant and, if requested, it will be mailed in an accessible format. Upon request, HOC will mail application and admissions information in an accessible format to customers with disabilities.~~

The full HCV program application is completed at the eligibility appointment in the applicant's own handwriting, unless assistance is needed, or a request for a reasonable accommodation is requested by a person with a disability. Applicants ~~will be~~are interviewed by ~~PHA~~-HOC staff to review the information on the full program application form. Verification of disability as it relates to Section 504, the Fair Housing Act, or the ADA are requested as reasonable accommodations ~~will be requested~~at this time. The full application ~~will~~also includes questions asking all applicants whether any reasonable accommodations are necessary.

## **I. TRANSLATION OF DOCUMENTS**

~~The Housing Authority~~HOC has ~~b~~multilingual staff and other translation and interpretation resources available to assist ~~non-English-speaking families~~ with Limited English Proficiency (LEP). ~~in the following language:~~

~~Spanish.~~

In determining whether it is feasible to provide translation of documents written in English into other languages, ~~the PHA will~~HOC considers ~~s~~ the following factors:

- Number of applicants and participants in the jurisdiction who do not speak English and instead speak ~~the a specific~~ other language;
- Estimated cost to ~~PHA-HOC~~ per ~~client-customer~~ of translation of English written documents into the other language;
- ~~The A~~availability of local organizations to provide translation services to ~~non-English speaking-LEP~~ families;
- Availability of bi-lingual staff at HOC to provide translation for ~~non-English-speaking~~LEP families.

## **J. MANAGEMENT ASSESSMENT OBJECTIVES**

~~The PHA~~HOC operates its housing assistance program with efficiency and can demonstrate to HUD auditors that ~~the PHA~~HOC is using its resources in a manner that reflects its commitment to quality and service. Accordingly, The PHAHOC policies and practices are consistent with the areas of measurement for the following HUD Section Eight Management Assessment Program (SEMAP) indicators:

1. Selection from the ~~Waiting~~ List
2. Reasonable Rent
3. Determination of Adjusted Income
4. Utility Allowance Schedule
5. HQS Quality Control Inspections
6. HQS Enforcement
7. Expanding Housing Opportunities
8. FMR/exception rent & Payment Standards
9. Annual Re-examinations
10. Correct Tenant Rent Calculations
11. Pre-Contract HQS Inspections
12. Annual HQS Inspections
13. Lease-up
14. Family Self-Sufficiency Enrollment and Escrow Account Balances

Bonus Indicator: Deconcentration of poverty and minorities

~~Supervisory HOC supervisors, Compliance Specialists~~ quality control reviews will be performed by a PHA Supervisor, or another qualified person other than the person who performed the work, as required by HUD, conducts quality control reviews on the following SEMAP factors:

- Selection from the ~~waiting~~ list
- Rent reasonableness
- Determination of adjusted income
- HQS Enforcement
- HQS Quality Control Inspections

The annual sample of files and records ~~will be~~ drawn in an unbiased manner, leaving a clear audit trail.

The minimum sample size ~~to be~~ reviewed of SEMAP's rating factors ~~will~~ relate directly to each factor.

#### **K. RECORDS FOR MONITORING ~~PHA-HOC's~~ PERFORMANCE**

~~In order to~~ To demonstrate compliance with HUD and other pertinent regulations, ~~the PHA will~~ HOC maintains records, reports, and other documentation for a time that is in accordance with HUD requirements and HOC's Document Retention Guideline. Records ~~will be~~ maintained in a manner that ~~will allow~~ an auditor, housing professional, or other interested party to follow, monitor, and/or assess ~~the PHA HOC's~~ operational procedures objectively ~~and~~, with accuracy, and in accordance with SEMAP requirements with and other internal supervisory audits.

#### **L. PRIVACY RIGHTS** -[24 CFR 982.551]

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD ~~and/or PHA-HOC will be~~ permitted to release family information.

~~The PHA HOC's~~ policy regarding release of information is in accordance with State and local laws that may restrict the release of family information.

All information which would lead one to determine the nature and/or severity of a person's disability ~~must be~~ is not released except on an "as needed" basis in cases where an disability-related accommodation is under consideration by HOC staff. All requests for access and granting of accommodations based on this information ~~must be~~ are reviewed for approval ~~and~~ by HOC's Fair Housing and Equal Opportunity (FHEO) Officer.

~~The PHA/HOC's~~ practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files ~~will be~~ stored in a secure location that is only accessible by authorized staff.

~~PHA/HOC~~ staff will not discuss family information contained in files 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 severe disciplinary action.

#### **M. FAMILY OUTREACH** [24 CFR 982.153(b)(1)]

~~The PHA/HOC will~~ publicizes and disseminates information to make known the availability of housing assistance and related services for very low-income families on a regular basis using. ~~When the PHA's waiting list is open, the PHA will publicize the availability and nature of housing assistance for very low income families in a~~ newspapers of general circulation, minority media, and ~~by~~ other suitable means.

HOC has bi-lingual staff to assist ~~non-English-speaking~~ Limited English Proficiency (LEP) families ~~in Spanish~~. Other local non-profit organizations are available, upon request by ~~the a~~ customer family, to explain un-translated documents or to assist in verbal translation for other languages. HOC provides information at its voucher briefing sessions to all selected voucher applicants describing ~~on~~ Federal, State, and local laws regarding housing discrimination. At its briefing sessions, HOC also ~~and~~ provides a copy of ~~the HUD's~~ housing discrimination complaint form, which is available for HOC customers to ~~be used as an available recourse~~ if they believe they are victims of discrimination.

In order to reach individuals, who cannot, or may not, read the newspapers, HOC posts information on its website and at its offices. ~~the PHA/HOC will also~~ distributes fact sheets to the local broadcasting media, and initiates personal contacts with members of the news media and community service personnel. ~~The PHA/HOC will may~~ also utilize public service announcements. ~~The PHA/HOC will~~ communicates the status of housing availability to other service providers in the community, and advises them of housing eligibility factors, ~~and HOC~~ guidelines, and how to guide potential applicants to HOC's wait list. All of these efforts help HOC's partners to in order that they can make informed and proper referrals to HOC for housing assistance.

In the tenant-based Housing Choice Voucher (HCV) program, eligible families are responsible for finding units and negotiating lease agreements with private market owners. HOC provides program training and assistance ~~in obtaining units to~~ help guide eligible families in their search for a unit. ~~It should be~~ is important to note that the legislative intent of ~~the~~ is HCV program is to place the responsibility for ~~obtaining finding and leasing-up in~~ a home-unit on the individual family. This responsibility reduces the dependency of families on local housing authorities, and provides families with greater freedom of choice as to type, size, and location of their homes. It is, therefore, HOC's intent to provide the greatest amount of support and assistance to families within the parameters of encouraging families' self-sufficiency and independence. However, no family participating in any of the programs described ~~herein in this Administrative Plan~~ may simultaneously receive the benefit of more than one of the following: Certificate, Voucher, other Section 8 housing assistance, Section 101 rent supplements, Section 236 Rental Assistance

Payments, tenant-based assistance under the HOME Program, Public or Indian housing assistance, any local or State rental subsidy, or other duplicate subsidy as determined by HUD.

In order to administer ~~the~~ HCV program effectively, both in terms of efficient management and attainment of the program's goals, ~~we have~~ HOC developed this comprehensive Administrative Plan. The Plan allows for an administration sufficiently flexible to provide services and support to those in leased units, as well as provide for leasing of additional units. HOC is responsible for complying with all changes in HUD regulations pertaining to these programs and updates this Administrative Plan on an as-needed basis in order to remain up-to-date and compliant with any changes in Federal, State, or local regulations affecting the voucher program.

#### **N. OWNER OUTREACH** [24 CFR 982.54(d)(5), 982.153(b)(1)]

~~The PHA~~ HOC makes a concerted effort to keep private owners informed of legislative changes in the tenant-based voucher program, which are designed to make the program more attractive to owners. This includes informing participant owners of applicable legislative changes in program requirements.

~~The PHA~~ HOC encourages owners of decent, safe, and sanitary housing units to lease their units to Section 8 families.

~~The PHA~~ HOC conducts periodic meetings with participating owners to improve owner relations, provide continuing education, and ~~to~~ recruit new owners.

~~The PHA~~ HOC maintains a list of units available for the Section 8 Program and updates this list at least monthly. When listings from owners are received, they ~~will~~ are ~~be~~ compiled by ~~the PHA~~ HOC staff by bedroom size.

~~The PHA~~ HOC ~~will~~ maintains lists of available housing submitted by owners in many neighborhoods within ~~the Housing Authority~~ HOC's jurisdiction to ensure greater mobility and housing choice to very low-income households. The lists of available units ~~may be~~ provided at voucher briefings.

~~The PHA~~ HOC ~~will~~ actively recruits property owners with property units located outside of areas of minority and poverty concentration. HOC also ~~and~~ applies for exception payment standards on a case-by-case basis if ~~the PHA~~ HOC determines it is necessary to make the program ~~more~~ accessible to a given family in the ~~PHA's~~ HOC's jurisdiction.

~~The PHA works with a nonprofit agency through the regional counseling program that contacts other in the area, identifies families in the program, and counsels the families on their prospective move and services available in the areas in which the family is interested.~~

#### **O. CONDUCTING BUSINESS IN ACCORDANCE WITH CORE VALUES AND ETHICAL STANDARDS**

The Housing Opportunities Commission of Montgomery County (HOC) and its staff are governed by the provisions of the Montgomery County Ethics Law; Chapter 19A of the Montgomery County Code. ~~The~~ Additionally, HOC's own Ethics Policies and Procedures provide ~~additional further~~ requirements ~~and procedures regarding ethical conduct that to which~~ HOC personnel ~~covered by this Policy~~ must adhere ~~to~~ in their performance of HOC activities and all interactions with HOC customers.

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**Chapter 2**

**ELIGIBILITY FOR ADMISSION**

[24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

**INTRODUCTION**

This Chapter defines both HUD's and ~~the PHAHOC's~~ criteria for admission and denial of admission to the HCV program. ~~The HOC's~~ policy ~~of this PHA~~ is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. ~~The PHAHOC~~ staff ~~will~~ review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families ~~will be~~ provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by ~~the PHAHOC~~ pertaining to their eligibility.

**A. ELIGIBILITY FACTORS** [982.201(B)]

~~The PHAHOC~~ accepts applications only from families whose head or spouse is at least 18 years of age.

~~To be eligible for P~~participation eligibility is determined based on, an applicant ~~must~~ family's ability to meet HUD's criteria, as well as any permissible additional criteria established by ~~the PHAHOC~~.

The HUD eligibility criteria are:

An applicant must be a "family".

An applicant must be within the appropriate Income Limits.

An applicant must ~~furnish~~ provide Social Security Numbers for all family members ~~age six and older~~.

An applicant must furnish Declaration of Citizenship or Eligible Immigrant Status and verification where required.

At least ~~the head of household or spouse~~ one member of the applicant family must be either a U.S. citizen or have eligible immigration status before ~~the PHA may~~ HOC can provide any financial assistance.



Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" chapter. These reasons for denial constitute additional admission criteria.

The ~~f~~Family's initial eligibility for placement on the waiting list ~~will be~~ made in accordance with the eligibility factors described herein.

Evidence of Citizenship/Eligible Immigrant Status ~~will is not be~~ verified until the family is selected from the waiting list for final eligibility processing for issuance of a ~~v~~Voucher.

## **B. FAMILY COMPOSITION** [24 CFR 982.201]

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

"~~F~~family" includes a family with a child or children. A family includes a group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides ~~is a family~~. ~~The PHAHOC~~ determines if any other group of persons qualifies as a "family".

A single person family may be:

An elderly person;

A displaced person;

A person with a disability; and/or

Individuals ~~may are not be~~ considered disabled, for HCV eligibility purposes, solely on the basis of any drug or alcohol dependence.

Any other single person.

A child who is temporarily away from home because of placement in foster care is still considered a member of the family. However, tThis provision ~~only~~ pertains only to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

A family also includes:

Two or more persons who intend to share residency whose income and resources are available to meet the family's needs and who have a history as a family unit or show evidence of a stable family relationship.

Two or more elderly or disabled persons living together, or one or more elderly, near-elderly, or disabled persons living with one or more live-in aides ~~is a family~~.

## **Head of Household**

The head of household is the adult member of the household who is designated by the family as the head. ~~The head of household~~; is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

### **Spouse of Head of Household**

Spouse means the husband or wife of the head of household.

For proper application of the Non-~~C~~itizens Rule, the definition of spouse is: the marriage partner who, in order to dissolve the relationship, would have to be divorced. ~~It-This~~ includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads of the household.

### **Co-Head of Household**

A co-head of household is an individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or a co-head, but not both. A co-head never qualifies as a dependent.

### **Live-in AttendantsAides**

A Family may include a live-in aide provided that such live-in aide:

Is determined by ~~the PHAHO~~C to be essential to the care and well-~~being~~, on a twenty-four (24) hour basis, of an elderly person, a near-elderly person, or a person with disabilities;~~;~~

Is not obligated for the support of the person(s) whom they assist; and

Would not be living in the unit except to provide care for the person(s) whom they assist.

A live-in aide is treated differently than family members, as follows:

Income of the live-in aide ~~will-is~~ not ~~be~~-counted for purposes of determining eligibility or level of benefits;~~;~~

Live-in aides are not subject to the Non-Citizen Rule requirements;~~;~~ and

Live-in aides ~~may-are~~ not ~~be-eligible for~~ considered as a remaining member of the tenant family.

Relatives are not automatically excluded from being-serving as live-in aides, but they must meet all of the ~~elements-criteria of in~~ the live-in aide definition described above.

A live-in aide may only reside in ~~the a~~ unit with ~~the a reasonable accommodation~~ approval ~~from of the PHA/HOC~~. Written verification ~~will be is~~ required from a reliable, knowledgeable ~~professional health provider~~, such as a ~~medical~~ doctor, social worker, ~~therapist~~, or caseworker. The ~~health~~ verification provider must certify that a live-in aide is needed for the care of the family member who is elderly (62+), near-elderly (50-61), and/or disabled. The health provider must also list the number of hours for which the elderly, near-elderly, and/or disabled household member requires assistance from the aide each day.

~~Verification must include the hours the care will be provided.~~

~~The PHA will HOC~~ periodically requires ~~the families~~ with live-in aides to submit documentation to support the continued need for a their live-in attendant.

At any time, ~~the PHA will HOC can~~ refuse to approve a particular person as a live-in aide or may withdraw such approval, in accordance with 24 CFR 982.316, if:

The ~~person aide~~ 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; and/or

The person currently owes rent or other amounts to ~~the PHA/HOC~~ or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

If a specific live-in aide is disqualified, they must move out of the unit. Importantly, disqualification of a specific live-in aide does not remove the original live-in aide approval from HOC. Rather, the household member for whom the aide assistance is required needs only to submit the name and information of a new person to take over the role of live-in aide. A new reasonable accommodation request is not needed for this purpose.

### **Split Households Prior to Voucher Issuance**

When a family on the wait~~ing~~ list splits into two otherwise eligible families due to divorce or legal separation and the new families both claim~~s~~ the same placement on the wait~~ing~~ list, and there is no court determination, ~~the PHA will HOC~~ makes the final decision taking into consideration the following factors:

Which family member applied as head of household;

Which family unit retains the children or any disabled or elderly members;

Restrictions that were in place at the time the family applied;

Role of domestic violence in the split; and/or

~~Any r~~Recommendations of social service agencies or qualified professionals such as children's protective services.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, ~~they HOC~~ may ~~be denied deny their~~ placement on the wait~~ing~~ list for failure to supply information requested by ~~the PHAHOC~~.

### **Multiple Families in the Same Household**

When families apply which consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit, they ~~will beare~~ treated as a family unit.

### **Joint Custody of Children**

Children who are subject to a joint custody agreement but live with one parent at least ~~51%~~ percent of the time ~~will beare~~ considered members of the household in which they live at least 51 percent of the time. "51% percent of the time" is defined as 183 days of the year, ~~which These 183 days~~ do not ~~have need~~ to run consecutively.

There ~~will beis~~ a self-certification required of families who claim joint custody or temporary guardianship.

When both parents are on the ~~w~~Waiting ~~I~~List and both are trying to claim the child, the parent whose address is listed in the child's school records ~~will beis~~ allowed to claim the school-age child as a dependent.

In cases in which parents have joint custody of a child or children (50/-50 custody), ~~the PHA willHOC~~ grants the child deduction to the household of record provided by Montgomery County Public Schools or a private school. If the child is residing outside of ~~the PHAHOC's~~ jurisdiction, due to joint custody, the principal household of record provided by the applicable school system ~~will beis~~ used to determine living arrangements and the standard deduction.

If the child is not enrolled in school, ~~the PHA willHOC~~ reliesy upon official records from daycare providers, tax records, and insurance providers such as Medicaid.

### **Split Households during Program Participation**

When families currently receiving assistance split, the current head of household retains continual voucher assistance. Remaining family members must separately apply when the wait~~ing~~ list is open to receive their own, separate assistance.

## **C. INCOME LIMITATIONS** [24 CFR 982.201(b), 982.353]

~~To be eligible for assistance, an applicant must:~~

~~Have an~~ A family's annual ~~i~~Income at the time of admission ~~that does~~must not exceed the very low-income limits for occupancy established by HUD.

~~To be~~ Income eligibility ~~requires that~~ the applicant ~~must be a~~ family is in the extremely low-income category, which is a family whose income does not exceed 30 percent of the area median income (AMI). HOC may select up to 25 percent of new applicants in the very-low income category, which is a family whose income does not exceed 50 percent of AMI. ~~The PHA~~HOC will not admit families whose income exceeds 50 percent of ~~the area median income~~AMI except those families ~~included specifically described in the Code of Federal Regulations (CFR) at 24 CFR 982.201(b).~~

~~To be~~ Income eligibility ~~requires that~~ the applicant family ~~may be~~is under the low-income limit in any of the following categories ~~described in:~~ [24 CFR 982.201(b)(1)]

A very low-income family.

A low-income family that is continuously assisted under the 1937 Housing Act.

~~An~~ applicant is continuously assisted if the family ~~has~~ received assistance under any 1937 Housing Act program within 120 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.

A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.

A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.

A low-income non-purchasing family residing in a project subject to a home-ownership program under 24 CFR 248.173.

A low-income family or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

A low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a project that is subject to a resident homeownership program.

To determine if ~~the a~~ family is income-eligible, HOC compares the annual income of the family to the applicable income limit for the family's size.

Families whose annual income exceeds the income limit ~~will be~~are denied admission and offered an informal review.

Portability: For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving PHA in which they want to live.

#### **D. MANDATORY SOCIAL SECURITY NUMBERS** [24 CFR 5.216, 5.218]

Families are required to provide verification of Social Security Numbers for all family members ~~age six (6) and older~~ prior to admission, if they have been issued a number by the Social Security Administration. This requirement also applies to persons joining the family after admission to the program.

Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

Persons who do not have ~~not been issued~~ a Social Security Number must sign a certification that they have/were never ~~been~~ issued a Social Security Number.

Persons who disclose their Social Security Number but cannot provide verification must sign a certification and provide verification within 90 days. ~~Elderly persons must provide verification within 120 days.~~

HOC permits a 90-day period during which an applicant family may become a program participant, even if the family lacks the documentation necessary to verify the Social Security Number (SSN) of a family member under the age of six (6) years old. HOC must grant a ~~An~~ extension of one additional 90-day period ~~must be granted~~ if HOC determines that, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant. For example, an applicant may be able to demonstrate timely submission of a request for a Social Security Number, in which case processing time would be the cause of the delay. If the applicant family does not produce the required documentation within the authorized time period, HOC must impose appropriate penalties, in accordance with the Code of Federal Regulations at 24 CFR 5.218.

If merited, HOC ~~will~~ offers a grace period and/or an extension. HOC ~~will~~ implements this provision just as it currently implements the provision for program participants. Specifically, an applicant family with a child under the age of six (6) years may become a participant family, even if the Social Security Number for the child ~~has not been~~ is unverified at the time of admission. If the Social Security Number ~~has not been~~ is still not ~~been~~ verified at the end of the initial 90-day period, then HOC must determine whether a 90-day extension is merited. If it is not merited, then HOC must follow the provisions of 24 CFR 5.218. If a 90-day extension is merited, then HOC must either verify the Social Security Number for the child by the end of the 90-day extension period or follow the provisions of 24 CFR 5.218.

#### **E. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS** [24 CFR Part 5, Subpart E]

In order to receive assistance, ~~the head of household or spouse~~ at least one member of the household must be a U.S. citizen or have eligible immigration status. Individuals, who are neither, may elect not to contest their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

Mixed Families: A family is eligible for assistance as long as at least the head of household or spouse is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families ~~will beare~~ given notice that their assistance ~~will beis~~ pro-rated and that they may request a hearing if they contest this determination.

All Members Ineligible: Applicant families that include no eligible members are ineligible for HCV assistance. Such families ~~will beare~~ denied admission and offered an opportunity for a hearing.

Non-Citizen Students: Defined by HUD in the non-citizen regulations. Non-Citizen Students are not eligible for HCV assistance.

Appeals: For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

### **Verification of Status Before Admission**

~~The PHA will~~HOC does not provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family, pursuant to this section.

### **F. OTHER CRITERIA FOR ADMISSIONS** [24 CFR 982.552(b)]

~~The PHA will~~HOC applies the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the HCV program:

- The family ~~must has~~ not ~~have~~ violated any family obligations during a previous participation in the Section 8 program for at least three years prior to final eligibility determination.
- ~~The PHA HOC~~ will make an exception, if the family member who violated the family obligation is not a current member of the household on the application.
- The family must pay any outstanding debt owed ~~the PHA TO HOC~~ or to another PHA as a result of prior participation in any federal housing program within 30 days of the PHA's notice to repay.
- The family ~~must beis~~ in good standing regarding any current payment agreements made with another PHA for a previous debt incurred, ~~before this PHA will allow participation in its Section 8 program.~~
- If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, ~~the PHA HOC~~ may deny their assistance and ~~may~~ refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).



Program eligibility restrictions ~~have been~~are extended to include any individual who:

- Is enrolled as a student at an institution of higher education, as defined under section 102 of the Higher Education Act of 1965;
- Is under 24 years of age;
- Is not a veteran of the United States military;
- Is unmarried;
- Does not have a dependent child, and
- Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to HCV assistance under section 8 of the 1937 Act.

For a student under the age of 24 who is not a veteran, is unmarried, does not have a dependent child, and who is seeking Section 8 Assistance, there is an two-part eligibility test. ~~Both parts of this test must be met. That is, B~~both the student and the student's parents (the parents individually and jointly) are part of this eligibility test. The student and his/her parents must be income eligible for the student to receive Section 8 Assistance. If ~~it is determined that~~ the parents are not income eligible, the student is ineligible to receive Section 8 Assistance.

The student's parents' income may ~~not be~~ irrelevant if the student can demonstrate the absence of, or his/~~or~~ her independence from, their parents. All of the following criteria must be met:

- The individual ~~must be~~is of legal contract age under state law.
- The individual ~~must have established~~has a household separate from his/her parents or legal guardians, and has had it for at least one year prior to application for occupancy.
- The individual m~~Meets~~ the status of Independent Student as defined by the U.S. Department of Education.
- The individual ~~must is~~ not ~~be~~ claimed as a dependent by his/her parents or legal guardians pursuant to Internal Revenue Service (IRS) regulations.
- The individual ~~must obtains~~ a certification of the amount of financial assistance that ~~will be provided by his/her~~ parents will provide, signed by the individual providing the support. The certification is required even if no assistance ~~will be~~ ultimately provided.

These restrictions do not affect students residing in a Section 8 assisted unit with his/~~or~~ her parents or one who resides with their parents who are applying to receive Section 8 assistance. The restriction is focused on a student under the age of 24 who is already residing in a Section 8 assisted unit without his or her parents, or one who is seeking on his/~~or~~ her own Section 8 unit in which to reside ~~in a section 8 assisted unit~~.

## **G. TENANT SCREENING** [24 CFR 982.307)]

~~The PHA will~~HOC takes into consideration any of the criteria for admission described in the "Denial or Termination of Assistance" chapter.

~~The PHA will~~HOC does not screen family behavior or suitability for tenancy. ~~The PHA will~~HOC is not be-liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before ~~PHA-HOC's~~ approval of the tenancy, ~~the PHA will~~HOC informs the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as: [24 CFR 982.307(a)(3)]

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; and/or

Compliance with other essential conditions of tenancy.

~~The PHA will~~HOC advises families how to file a complaint if they ~~have been discriminated against by~~experience discrimination from an owner. ~~The PHA will~~HOC advises ~~the families~~how to make a Fair Housing complaint with HUD. ~~The PHA~~HOC may also report the owner to HUD (Fair Housing/Equal Opportunity) or ~~the a~~ local Fair Housing Organization, if the Agency becomes aware of fair housing discrimination concerns.

## **H. CHANGES IN ELIGIBILITY PRIOR TO THE EFFECTIVE DATE OF THE CONTRACT**

Eligibility cChanges that occur during the period between the issuance of a voucher and lease up by the family may affect the family's eligibility or share of the rental payment.

## **I. INELIGIBLE FAMILIES**

Families who are determined ~~to be~~ ineligible will be notified in writing of the reason for their denial and are given an opportunity to request an informal review, or an informal hearing if they were denied due to non-citizen status. See the "Complaints and Appeals" chapter of this Administrative Plan for additional information about reviews and hearings.

**J. PROHIBITED ADMISSIONS CRITERIA** [982.202(b)]

Admission to the HCV program ~~may is~~ not ~~be~~ based on where the family lives before admission to the program.

Furthermore, a Admission to the HCV program ~~may not be~~ is not based on any of the following:

Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;

Discrimination because a family includes children;

Whether a family decides to participate in a family self--sufficiency program; and/or

Other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections.

Proposed Revisions to  
HOC's Administrative Plan for the Housing Choice Voucher Program

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Please note: Existing language is in **BLACK** and proposed changes are in **RED**.

**Chapter 5**

**SUBSIDY STANDARDS**

[24 CFR 982.54(d)(9)]

**INTRODUCTION**

HUD guidelines require that PHAs establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards (HQS). This Chapter explains the subsidy standards which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as ~~the PHAHOC's~~ procedures when a family's size changes or a family selects a unit size that is different from their vVoucher.

**A. DETERMINING FAMILY UNIT (VOUCHER SIZE/SUBSIDY STANDARD)**

~~The PHAHOC~~ does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the vVoucher. ~~The PHAHOC's~~ subsidy standards for determining the voucher size shall be applied in a manner consistent with applicable Fair Housing guidelines.

All standards in this section relate to the number of bedrooms on the vVoucher, not the household's<sup>2</sup> actual living arrangements.

The unit size of the vVoucher remains the same as long as the household composition remains the same, regardless of the actual unit size rented.

Generally, ~~the PHAHOC~~ assigns bedrooms within the following guidelines:

The single head of household ~~will be~~ assigned a one bedroom.

The head of household with a spousal relationship or significant other ~~will be~~ assigned a one bedroom.

Beyond the head of household, two persons regardless of age or gender, ~~would be~~ assigned one bedroom.

If approved through ~~the~~HOC's reasonable accommodation process, a live-in aide ~~will be~~is provided an additional, separate bedroom. No additional bedrooms are provided for the ~~attendant's live-in aide's~~ family.

If approved through ~~the~~HOC's reasonable accommodation process, persons with disabilities or with qualifying health issues may be provided a separate bedroom.

Foster children that will reside in the household for a period greater than 180 days, and that are of different genders and over the age of two, may be given separate bedrooms. ~~Except for gender considerations for foster children, foster children and~~Otherwise, remaining household members ~~will be~~are assigned two persons per bedroom.

A child (until age 23) who is away at school, but who lives with ~~their~~ family during school recesses, will remain in the household composition.

Children in court awarded co-parenting cases will remain in the household composition if the children reside in the household at least 51 percent of the time.

A household member on active military duty ~~will remain~~s in the household composition.

Single person households ~~will be~~are allocated one bedroom.

## **B. EXCEPTIONS TO SUBSIDY STANDARDS**

~~The PHA~~HOC may grant exceptions from the subsidy standards if the head of household requests and ~~the PHA~~HOC determines the exceptions are justified.

### **Request for Exceptions to Subsidy Standards**

#### **1. Increases to Voucher Size**

~~The PHA~~HOC will consider increases to the voucher size/subsidy standard previously provided to the household under the following circumstances:

- A ~~Live-in~~ aAide is required and approved through ~~the~~HOC's reasonable accommodation procedures;
- If a current household member's health situation changes and a reasonable accommodation is requested and approved through HOC's procedures;-
- If a current household includes a person, or person/s with ~~a~~ disabilities and a reasonable accommodation is requested and approved through HOC's procedures.

~~The PHA~~HOC may increase the voucher size due to additions of household members through birth of a child (newborn) or adoption of a child by the head of household, marriage of the head of household if the spouse has minor children, or court-awarded custody of a minor child or

dependent to the head of household or spouse (when custody is greater than 51% percent of the time), and/or foster care of children if they will be in the unit for a period greater than 180 days.

~~The PHA/HOC~~ may increase the voucher size as an accommodation for an elderly relative (age 62 or older) of the head of household or spouse. The head of household must submit a written request regarding the addition of the elderly parent to the household. The request must show that the request results from an effort to provide medical assistance or improve the quality of life to the elderly relative.

A birth or adopted child through the age of 21, that is a returning household member, ~~may be~~ allowed to reside in the contract unit. ~~However,~~ the voucher size/subsidy standard ~~will is~~ not be increased and Housing Quality Standards ~~will be~~ considered prior to HOC and landlord approval of this household addition. If the returning child through the age of 21 has a birth or adopted minor children, their presence ~~will~~ also will not increase the voucher's size.

When a new family member is added due to birth or court awarded custody, and the family will need an increase in their voucher as a result ~~already resides in the unit size in for which the family would is now be eligible due to the household addition~~, PHA/HOC staff will must wait to increase the Voucher Payment Standard (VPS) at until the next reexamination.

~~The PHA/HOC~~ will not increase the voucher size if a spouse is added without children or dependents, whether through marriage or a domestic relationship.

## **2. Decreases to Voucher Size**

~~If a household's voucher is downsized, The Housing Opportunities Commission/HOC~~ will allow the family ~~adequate time (up to 120 days)~~ at the time of an annual recertification or an interim action to relocate to a smaller unit. If the family is unsuccessful in locating a unit within the 120 days ~~provided (unless a reasonable accommodation is granted)~~, the voucher payment standard ~~will is~~ decreased d to the appropriate bedroom size.

If it is determined at the current annual recertification that the household no longer qualifies for a reasonable accommodation, such as a previously approved increased voucher size due to a live-in aide or disabilities, the voucher size ~~will be is~~ decreased.

## **Changes for Participants**

~~The HOC must approve all~~ members of the voucher household residing in ~~the a given unit must be approved by the PHA if there are any changes in household composition~~. Additionally, ~~the~~ head of household must obtain approval by from both ~~the PHA/HOC~~ and the landlord.

If the head of household marries, the spouse must be determined eligible to participate in the program before residing in the unit. The exception is birth, adoption, or court awarded custody of a minor. These occurrences only require the head of household to notify ~~the PHA/HOC~~ within ~~thirty~~ 30 days of the event.

## **Underhoused and Overhoused Families**

If ~~the a~~ unit does not meet HQS space standards due to an ~~PHA-HOC~~ approved increase in the household's size, which is consistent with the policies ~~described in 5.b of~~ this section, ~~the PHAHOC~~ will issue a new voucher of the appropriate size. ~~The PHAHOC~~ will allow the family ~~adequate time (up to 120 days)~~ to locate a new unit. In case of a decrease in the household size, ~~the PHAHOC~~ will issue a new voucher of the appropriate size during the annual recertification. If the household decrease occurs between annual recertifications the appropriate voucher size ~~will be~~ issued at the next recertification.

If the household has a requirement for an accessible unit and is under housed, ~~the PHAHOC~~ may grant an exception to the HQS ~~space standards~~.

### **C. UNIT SIZE SELECTED**

#### **Split Households during Program Participation**

When families or households currently receiving assistance split up, the voucher assistance will follow the children or dependents if assistance is required. Preference ~~will be~~ given to the person with whom the children reside or who has custody of the children equal to at least 51 percent% of the time, or to any disabled or elderly household member. Recommendations ~~by~~ from social services agencies or other qualified professionals (such as children's or adult protective services) will be considered.

Documentation of these factors is the responsibility of the participating family members.

If there are no children or dependents in the household, the current head of household retains the ~~continual~~ voucher assistance.



Proposed Revisions to  
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**Chapter 6**

**FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE  
DETERMINATION**

[24 CFR Part 5, Subparts E and F; 982.153, 982.551]

**INTRODUCTION**

~~The PHA will~~HOC uses the methods as set forth in this Administrative Plan to verify and determine that family income at admission and at annual reexamination is correct. The accurate calculation of Annual Income and Adjusted Income ~~will ensure~~s that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions ~~to be~~ subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. ~~The PHA~~HOC's policies in this ~~Chapter~~Chapter address those areas which allow ~~the PHA~~HOC discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

**A. INCOME AND ALLOWANCES [24 CFR 5.609]**

Income: Includes all monetary amounts, which are received on behalf of the family, except any financial assistance received for mandatory education fees and charges (in addition to tuition). For purposes of calculating the Total Tenant Payment, HUD defines what is ~~to be~~ calculated and what is ~~to be~~ excluded in the federal regulations. In accordance with this definition, all income that is not specifically excluded in the regulations is counted.

Annual Income: is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income that has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits. A family who actually works less than 12 months, as required by their employment, will have their income treated as though they worked 12 months.

Adjusted Income: is defined as the annual income minus any HUD allowable expenses and deductions.

HUD has five allowable deductions from Annual Income:

1. **Dependent Allowance:** \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
2. **Elderly/Disabled Allowance:** \$400 per family for families whose head or spouse is 62 or over or disabled.
3. **Allowable Medical Expenses:** Deducted for all family members of an eligible elderly/disabled family.
4. **Child Care Expenses:** Deducted for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment.
5. **Allowable Disability Assistance Expenses:** Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

Allowable deductions from Annual Income are reviewed at annual reexamination.

### **Earned Income Disallowance/Disregard** [24 CFR 5.617]

The Earned Income Disregard (EID) is designed to promote self-sufficiency for families with disabilities in the housing Choice Voucher (HCV) program who meet the definition of a “qualified family.”

#### **Disallowance of increase in annual income**

- (1) *Initial 12-month exclusion.* During the 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, HOC must exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.
- (2) *Second 12-month exclusion and phase-in.* Upon the expiration of the 12-month period defined in paragraph (1) of this section and for the subsequent 12-month period, HOC must exclude from annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.
- (3) *Maximum two-year disallowance.* The disallowance of increased income of an individual family member who is a person with disabilities as provided in paragraph (1) or (2) of this section is limited to a lifetime 24-month period. The disallowance applies for a

maximum of 12 months for disallowance under paragraph (1) of this section and a maximum of 12 months for disallowance under paragraph (2) of this section, during the 24-month period starting from the initial exclusion under paragraph (1) of this section. Previously, families were eligible to receive the EID benefit for no more than 24 months, but which could be spread across a 48-month time period to account for potential changes in the employment status of the family member whose original employment caused the family to be eligible for EID. That is no longer the case. EID eligibility is now limited to a maximum of only 24 straight months.

## **B. MINIMUM RENT [24 CFR 5.630]**

### **Minimum Rent**

"Minimum rent" is \$50. Minimum rent refers to the TFC and includes the combined amount a family pays towards rent and/or utilities when it is applied.

### **Hardship Requests for an Exception to Minimum Rent**

~~The PHA/HOC~~ recognizes that in some circumstances even the minimum rent may create a financial hardship for families. ~~The PHA/HOC~~ will review all relevant circumstances brought to the PHA's-its attention regarding financial hardship as it applies to the minimum rent. The following section states ~~the PHA/HOC~~'s procedures and policies in regard to minimum rent and financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998. HUD has defined circumstances under which a hardship could be claimed.

### **Criteria for Hardship Exception**

In order for a family to qualify for a hardship exception the family's circumstances must fall under one of the following HUD hardship criteria:

The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance;

The family would be evicted as a result of the imposition of the minimum rent requirement;

The income of the family has decreased because of changed circumstances, including:

Loss of employment

Death in the family

Other circumstances as determined by ~~the PHA/HOC~~ or HUD

### **PHA-HOC Notification to Families of Right to Hardship Exception**

~~The PHAHO~~C will notify all families subject to minimum rents of their right to request a minimum rent hardship exception. "Subject to minimum rent" means the minimum rent was the greatest figure in the calculation of the greatest of 30 ~~percent~~% of monthly-adjusted income, 10 ~~percent~~% of monthly income, minimum rent, or welfare rent.

If the minimum rent is the greatest figure in the calculation of TTP, ~~PHA-HOC~~ staff will include a copy of the notice regarding hardship request provided to the family in the family's file.

~~The PHAHO~~C notification will advise families that hardship exception determinations are subject to ~~PHA-HOC's~~ review and hearing procedures.

~~The PHAHO~~C will review all family requests for exception from the minimum rent due to financial hardships.

All requests for minimum rent hardship exceptions are required to be in writing.

~~The PHAHO~~C will request documentation as proof of financial hardship.

~~The PHAHO~~C will use its standard verification procedures to verify circumstances that have resulted in financial hardship.

Requests for minimum rent exception must include a statement of the family hardship that qualifies the family for an exception.

### **Suspension of Minimum Rent**

~~The PHAHO~~C will grant the minimum rent exception to all families who request it, effective the first of the following month.

The minimum rent will be suspended until ~~the PHAHO~~C determines whether the hardship is:

Covered by statute

Temporary or long term

"Suspension" means that ~~the PHAHO~~C must not use the minimum rent calculation until ~~the PHAHO~~C has made this decision.

During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

If ~~the PHAHO~~C determines that the minimum rent is not covered by statute, ~~the PHAHO~~C will impose a minimum rent including payment for minimum rent from the time of suspension.

### **Temporary Hardship**

If ~~the PHAHOC~~ determines that the hardship is temporary, a minimum rent will not be imposed for a period of up to 90 days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

~~The PHAHOC~~ will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period. (See "Owner and Family Debts to ~~the PHAHOC~~" in the chapter ~~for which discusses the~~ Repayment Agreement Policy).

### **Long-Term Duration Hardships** [24 CFR 5.616(c)(3)]

If ~~the PHAHOC~~ determines that there is a qualifying long-term financial hardship, ~~the PHAHOC~~ must exempt the family from the minimum rent requirements.

### **Retroactive Determination**

~~The PHAHOC~~ will reimburse the family for any minimum rent charges that took effect after October 21, 1998 that qualified for one of the mandatory exceptions.

If the family is owed a retroactive payment, ~~the PHAHOC~~ will offset the family's future rent contribution payments by the amount in which ~~the PHAHOC~~ owes the family.

### **C. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT**

[24 CFR 982.54(d)(10), 982.551]

~~The PHAHOC~~ must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, ~~the PHAHOC~~ must count the income of the spouse or the head of the household, if that person is temporarily absent, even if that person is not on the lease.

"Temporarily absent" is defined as away from the unit for more than 30 days.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. ~~The PHAHOC~~ will evaluate absences from the unit using this policy.

### **Absence of Any Member**

Any member of the household ~~will be~~ considered permanently absent if s/he is away from the unit for 90 consecutive days, except as otherwise provided in this Chapter.

### **Absence due to Medical Reasons**

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, ~~the PHAHOC~~ will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member ~~will be~~ considered permanently absent. If the verification indicates that the family member will return in less than 180 consecutive days, the family member ~~will is~~ not ~~be~~ considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, assistance ~~will be~~ terminated in accordance with ~~the PHAHOC's~~ "Absence of Entire Family" policy.

### **Absence Due to Full-time Student Status**

Full time students who attend school away from the home ~~will be~~ treated in the following manner:

Full time students who attend school away from ~~the~~ home and live with the family during school recesses ~~es will be~~ considered temporarily absent from the household.

### **Absence due to Incarceration**

If the sole member is incarcerated for more than 90 consecutive days, s/he ~~will be~~ considered permanently absent. Any member of the household, other than the sole member, ~~will be~~ considered permanently absent if s/he is incarcerated for 180 consecutive days.

~~The PHAHOC~~ will determine if the reason for incarceration is for drug-related or violent criminal activity. If it is, then HOC must terminate the family.

### **Absence of Children due to Placement in Foster Care**

If the family includes a child or children temporarily absent from the home due to placement in foster care, ~~the PHAHOC~~ will determine from the appropriate agency when the child/children will be returned to the home.

If the time period ~~is to~~ will be greater than 12 months from the date of removal of the child/ren, the voucher size ~~will be~~ reduced. If all children are removed from the home permanently, the voucher size ~~will be~~ reduced in accordance with ~~the PHAHOC's~~ subsidy standards (see Chapter 5).

### **Absence of Entire Family**

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, ~~the PHAHOC~~ will terminate assistance in accordance with appropriate termination procedures contained in this Administrative Plan.

Families are required both to notify ~~the PHAHOC~~ before they move out of a unit and to give ~~the PHAHOC~~ information about any family absence from the unit.

Families must notify ~~the PHAHOC~~ at least 30 days before leaving the unit, if they are going to be absent from the unit for more than 60 consecutive days.

If the entire family is absent from the assisted unit for more than 60 consecutive days, the unit ~~will be~~ considered ~~to be~~ vacated, and the assistance ~~will be~~ terminated.

If it is determined that the family is absent from the unit, ~~the PHAHOC~~ will ~~not dis~~continue assistance payments.

HUD regulations require ~~the PHAHOC~~ to terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive days.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, ~~the PHAHOC~~ may:

Write letters to the family at the unit

Telephone the family at the unit

Interview neighbors

Verify if utilities are in service

Check with the post office

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar days' limit.

If the absence which resulted in termination of assistance was due to a person's disability, and ~~the PHAHOC~~ can verify that the person was unable to notify ~~the PHAHOC~~ in accordance with the family's responsibilities, and if funding is available, ~~the PHAHOC~~ may reinstate the family as ~~an~~ reasonable accommodation, if requested by the family, as so long as the period was within 180 consecutive days.

### **Caretaker for Children**

If neither parent remains in the household and the appropriate agency ~~has determined~~ that another adult ~~is to~~ must be brought into the assisted unit to care for the children for an indefinite period, ~~the PHAHOC~~ will treat that adult as a visitor for the first 30 days.

If by the end of that period, court-awarded custody or legal guardianship ~~has been~~ is awarded to the caretaker, the voucher ~~will be~~ is transferred to the caretaker.



If the appropriate agency cannot confirm the guardianship status of the caretaker, ~~the PHAHOC~~ will review the status at ~~six~~6 month intervals.

If custody or legal guardianship ~~has-is~~ not ~~been~~ awarded by the court, but the action is in process, ~~the PHAHOC~~ will secure verification from social services staff or the attorney as to the status.

The caretaker ~~will-beis~~ allowed to remain in the unit, as a visitor, until a determination of custody is made.

~~The PHAHOC~~ will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 180 days and it is reasonable to expect that custody will be granted.

When ~~the PHAHOC~~ approves an ~~adult-person~~ to reside in the unit as caretaker for the child/ren, ~~their~~ income ~~should-beis~~ counted pending a final disposition. ~~The PHAHOC~~ will work with the appropriate service agencies and the landlord to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 180 days, the person ~~will-beis~~ considered permanently absent.

### **Visitors**

Any adult not included on the HUD 50058 who has been in the unit more than 30 consecutive days without ~~PHA-HOC~~ approval, or a total of 60 days in a 12-month period, ~~will-beis~~ considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address ~~will-beis~~ considered verification that the visitor is a member of the household.

Statements from neighbors and/or the landlord ~~will-beare~~ considered in making the determination.

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary ~~shall-beis~~ construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual ~~will-beis~~ considered an unauthorized member of the household and ~~the PHAHOC~~ will terminate assistance since prior approval was not requested for the addition.

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 60 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor ~~will-beis~~ considered to be an eligible visitor and not a family member.

### **Reporting Additions to Owner and PHAHOC**

Reporting changes in household composition to ~~the PHAHOC~~ is both a HUD and an PHA-HOC requirement.

The family obligations require the family to request PHA-HOC approval to add any other family member as an occupant of the unit and to inform ~~the PHAHOC~~ of the birth, adoption, or court awarded custody of a child. The family must request prior approval of additional household members in writing.

If the family does not obtain prior written approval from ~~the PHAHOC~~, any person the family has permitted to move in will be considered an unauthorized household member.

In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to ~~the PHAHOC~~ in writing within 10 days of the maximum allowable time.

Families are required to report any additions to the household in writing to ~~the PHAHOC~~ within 10 days of the move-in date.

An interim reexamination ~~will be~~is conducted for any additions to the household.

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption, or court awarded custody.

### **Reporting Absences to ~~the PHAHOC~~**

Reporting changes in household composition is both a HUD and an PHA-HOC requirement.

If a family member leaves the household, the family must report this change to ~~the PHAHOC~~, in writing, within 10 days of the change and certify as to whether the member is temporarily absent or permanently absent.

~~The PHAHOC~~ will conduct an interim evaluation for changes that affect the TTP in accordance with the interim policy.

### **D. AVERAGING INCOME**

When Annual Income cannot be anticipated for a full 12 months, ~~the PHAHOC~~ may:

Average known sources of income that vary to compute an annual income, or

Annualize current income and conduct an interim reexamination if income changes.

If there are bonuses or overtime which the employer cannot anticipate for the next 12 months, bonuses and overtime received the previous year will be used.

If, by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments.

The method used depends on the regularity, source and type of income.

#### **E. MINIMUM INCOME**

There is no minimum income requirement. Families who report zero income are required to complete a written certification every 90 days.

Families that report zero income ~~will be~~ required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.

If the family's expenses exceed their known income, ~~the PHA~~HOC will make inquiry of the head of household as to the nature of the family's accessible resources.

#### **F. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME**

[24 CFR 982.54(d)(10)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, ~~the PHA will~~HOC calculates the income by using the following methodology, and uses the income figure that would result in a lower payment by the family:

Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.

OR

Include the income of the person permanently confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.

#### **G. REGULAR CONTRIBUTIONS AND GIFTS** [24 CFR 5.609]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment (TTP).

Any contribution or gift received every 180 days, or more frequently, ~~will be~~ considered a "regular" contribution or gift, unless the amount is less than \$500 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (~~Please see the~~ "Verification Procedures" chapter in this Administrative Plan for further ~~definition~~information.)

If the family's expenses exceed its known income, ~~the PHA will~~HOC inquire of~~investigates~~ the family regarding any contributions and/or gifts received.

## **H. ALIMONY AND CHILD SUPPORT** [24 CFR 5.609]

Regular alimony and child support payments are counted as income for calculation of the TTP.

If the amount of child support or alimony received is less than the amount awarded by the court, ~~the PHA~~HOC will use the amount awarded by the court; unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided.

~~The PHA will~~HOC accepts verification that the family is receiving an amount less than the amount awarded by the court if:

~~The PHA~~HOC receives verification from the agency responsible for enforcement or collection.

The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the divorce decree.

## **I. LUMP-SUM RECEIPTS** [24 CFR 5.609]

Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health, ~~and~~ accident insurance, and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining ~~will be~~is considered an asset. Deferred periodic payments which have accumulated due to a dispute ~~will be~~are treated the same as periodic payments which are deferred due to delays in processing.

In order to determine the amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:

~~The PHA~~HOC uses a calculation method that calculates retroactively or prospectively, depending on the circumstances.

### **Prospective Calculation Methodology**

If the payment is reported on a timely basis, the calculation ~~will be~~is done prospectively and will result in an interim adjustment calculated as follows:

The lump sum ~~will be~~ added in the same way for any interim adjustments that occur prior to the next annual recertification.

If amortizing the payment over one year will cause the family to pay more than 50 percent of the family's adjusted income (before the lump sum was added) for TTP, ~~the PHA~~HOC and ~~the~~ family may enter into a RepPayment Agreement, with the approval of the Director of ~~Rental Assistance~~the Housing Resources Division, for the balance of the amount over the 50% percent calculation. The beginning date for this RepPayment Agreement will start at the next annual reexamination of income.

### **Retroactive Calculation Methodology**

~~The PHA will~~HOC goes back to the date of receipt of the lump-sum payment ~~was received~~, or to the date of admission, whichever is closer.

At ~~the PHA~~HOC's option, ~~the PHA~~HOC may enter into a RepPayment Agreement with the family.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

### **Attorney Fees**

The family's attorney fees ~~may be~~ eligible for ~~deducted~~ deduction from ~~the~~ lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney's fees.

### **J. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS** [24 CFR 5.603(d)]

Contributions to company retirement/ pension funds are handled as follows:

While an individual is employed, HOC counts contributions to company retirement/ pension funds as assets only for amounts which the family can withdraw without retiring or terminating their employment.

After retirement or termination of employment, HOC counts any amount the employee elects to receive as a lump sum from a company retirement/ pension fund.

### **K. ASSETS**

Income from assets ~~will be~~ calculated based on the current balance of the account.

### **L. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE**

[24 CFR 5.603(d)(3)]

~~The PHAHOC~~ must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. ~~The PHA-willHOC~~ counts the difference between the market value and the actual payment received in calculating total assets.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

~~The PHAHOC's~~ minimum threshold for counting assets disposed of for less than Fair Market value is \$1,000. If the total value of assets disposed of within a one-year period is less than \$1,000, they ~~will-are~~ not ~~be~~ considered an asset.

#### **M. CHILD CARE EXPENSES** [24 CFR 5.603]

Child-care expenses for children under 13 ~~may-beare eligible for~~ deduction from annual income if they enable an adult to work or attend school full time, or to actively seek employment.

In the case of a child attending a private school, only before/ after-hours care ~~can-beare permitted for~~ counting as child-care expenses.

~~Allowability-Permissibility~~ of deductions for child-care expenses is based on the following guidelines:

**Child care to work**: The maximum child care expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" ~~will-beis~~ the adult member of the household who earns the least amount of income from working.

**Child care for school**: The number of hours claimed for child care ~~may-cannot~~ exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

#### **N. MEDICAL EXPENSES** [24 CFR 5.609(a)(2), 5.603]

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, Internal Revenue Service (IRS) Publication 502 ~~will-beis~~ used as a guide.

~~Nonprescription medicines must be doctor recommended in order to be considered a medical expense.~~

Nonprescription medicines ~~will-beare~~ counted toward medical expenses for families who qualify, if the family furnishes legible receipts.

Acupressure, acupuncture, and related herbal medicines, ~~and-as well as~~ chiropractic services ~~will-beare also~~ considered allowable medical expenses.

#### **O. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES** [24 CFR 5.520]

## Applicability

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

## Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible, and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

## P. REDUCTION IN BENEFITS

~~Please see~~ the Chapter of this Administrative Plan on recertifications for a description of ~~on~~ how to handle income changes resulting from welfare program requirements.

## Q. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

[24 CFR 982.153, 982.517]

The same utility allowance schedule is used for all tenant-based programs.

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

~~The PHAHO~~'s utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

~~The PHA may~~HO ~~does~~ not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

~~The PHAHO~~ must classify utilities in the utility allowance schedule according to the following general categories: space heating, air conditioning, cooking, water heating, water, sewer, trash collection,; other electric, refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range); and other specified services.

An allowance for tenant-paid air conditioning ~~will be~~ provided in those cases where the majority of housing units in the market have central air conditioning or are wired for tenant installed air conditioners [24 CFR 982.517].

~~The PHA will~~HO ~~reviews~~ the utility allowance schedule annually. If the review finds a utility rate ~~has~~ changed by 10 percent or more since the last revision of the utility allowance schedule,



the schedule ~~will be~~ revised to reflect the new rate. Revised utility allowances ~~will be~~ applied ~~in to~~ a participant family's rent calculation at their next reexamination.

~~The approved utility allowance schedule is given to families along with their Voucher.~~ The utility allowance is based on the lesser of the size of dwelling unit actually leased by the family or the voucher size issued, as determined under HOC's subsidy standards (~~please see the~~ Subsidy Standards chapter ~~in this Administrative Plan~~ for more information). In cases where ~~a HOC provided a~~ reasonable accommodation ~~has been provided~~ to a family that includes a person with disabilities, HOC ~~must will~~ use the appropriate utility allowance for the size of the dwelling unit actually leased by the family.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due ~~to~~ the family, ~~the PHA/HOC~~ will provide a Utility Reimbursement Payment ~~for to~~ the family each month. The check ~~will be~~ made out directly to the tenant.