

ADMINISTRATIVE PLAN FOR THE SECTION 8



HOUSING CHOICE VOUCHER PROGRAM



THE HOUSING AUTHORITY OF THE COUNTY OF LEBANON
P.O. Box 420
LEBANON, PENNSYLVANIA 17042

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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 amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, is described in and implemented throughout this Administrative Plan. The Section 8 rental assistance programs are federally funded and administered for the County of Lebanon by the Housing Authority of the County of Lebanon through its Section 8 housing office.

Administration of the Section 8 Program and the functions and responsibilities of the Housing Authority (PHA) staff shall be in compliance with the PHA's Personnel Policy and the Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

Jurisdiction

The jurisdiction of the PHA is the County of Lebanon Pennsylvania.

A. PURPOSE OF THE PLAN [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The Housing Choice Voucher Program was implemented as of 10/1/99.

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

All expenditures from the Administrative Reserve (Operating Reserve) for other housing purposes will be approved by the Authority's Board of Commissioners and made in accordance with the approved budget.

C. RULES AND REGULATIONS [24 CFR 982.52]

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

D. TERMINOLOGY

The Housing Authority of the County of Lebanon is 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 Voucher Choice program refers to the merged program effective as of 10/01/99.

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

"Failure to Provide" refers to requirements listed under "Family Obligation" in the chapter entitled "Denial or Termination of Assistance".

See Glossary for other terminology.

E. FAIR HOUSING POLICY [24 CFR 982.54(d)(6)]

It is the policy of the Housing Authority 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 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.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to 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 available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet and available upon request.

All Housing Authority staff will be required to attend fair housing training and informed 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 overall commitment to quality customer service. Fair Housing posters are posted throughout

the Housing Authority office/s, including in the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials. Staff will attend local fair housing update training sponsored by HUD and other local organization to keep current with new developments.

Except as otherwise provided in Federal Regulations, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

The Lebanon County Housing Authority office(s) are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY telephone service.

F. REASONABLE ACCOMMODATIONS POLICY [24 CFR 700.245(c)(3)]

It is the policy of this PHA to be service-directed in the administration of our 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 their disability before the PHA will treat a person differently than anyone else. The PHA's policies and practices will be 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 related services. The availability of requesting an accommodation will be made known by including notices on PHA 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 and is applicable to all situations described in this Administrative Plan including when a family initiates contact with the PHA, when the PHA initiates contact with a family including when a family applies, and when the PHA schedules or reschedules appointments of any kind.

To be eligible to request a reasonable accommodation, the requester must first certify (if apparent) or verify (if not apparent) that they are a person with a disability under the following 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: The above definition is not be used for purposes of determining deductions from income.

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 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 persons status as a qualified person with a disability is confirmed, the PHA will require that a professional third party competent to make the assessment, provides written verification that the person needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program.

If the PHA finds that the requested accommodation creates an undue administrative or financial burden, the PHA will either deny the request and/or present an alternate accommodation that will still meet the need of the person.

An undue administrative burden is one that requires a fundamental alteration of the essential functions of the PHA (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 PHA.

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

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

All PHA mailings will be made available in an accessible format upon request, as a reasonable accommodation.

Verification of Disability

The PHA will verify disabilities under definitions in the Fair Housing Amendments Act of 1988, Section 504 of the 1973 Rehabilitation Act, and Americans with Disabilities Act.

Applying for Admission

All persons who wish to apply for any of the PHA's programs must submit a pre-application in electronic format.

To provide specific accommodation to persons with disabilities, upon request, Authority staff will provide assistance to the applicant in completing the electronic application..

The full application is completed at the eligibility appointment. Applicants will be interviewed by PHA staff to enter the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or ADA reasonable accommodation will be requested at this time. The full application will also include questions asking all applications whether reasonable accommodations are necessary.

G. TRANSLATION OF DOCUMENTS

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

Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.

Estimated cost to PHA per client of translation of English written documents into the other language.

The availability of local organizations to provide translation services to non English speaking families.

Availability of bi-lingual staff to provide translation for non-English speaking families.

H. MANAGEMENT ASSESSMENT OBJECTIVES

The PHA operates its housing assistance program with efficiency and can demonstrate to HUD auditors that the PHA is using its resources in a manner that reflects its commitment to quality and service. The PHA policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators: selection from the waiting list; reasonable rent; determination of adjusted income; utility allowance schedule; HQS quality control inspections; HQS enforcement; expanding housing opportunities; FMR/exception rent & payment standards; annual re-examinations; correct tenant rent calculations; pre-contract HQS inspections; annual HQS inspections; lease-up; and the bonus indicator de-concentration

Supervisory quality control reviews will be performed by a PHA Supervisor or other qualified person other than the person who performed the work, as required by HUD, on the following SEMAP factors: selection from the waiting list; rent reasonableness; determination of adjusted income; HQS enforcement and HQS quality control.

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 will relate directly to each factor.

I. RECORDS FOR MONITORING PHA PERFORMANCE

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

In addition to the required SEMAP documentation, supervisory staff will audit the following functions: not less than 5% of reexaminations; not less than 5% of new applications; and not less than 5% of claims processed.

J. 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/PHA will release family information.

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

Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential" or returned to the family member after its use. The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the Executive Director or his designee.

The PHA'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 which is only accessible by authorized staff.

PHA 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 disciplinary action.

K. FAMILY OUTREACH [24 CFR 982.153(b)(1)]

The PHA will publicize and disseminate information to make known the availability of housing assistance and related services for very low-income families on a regular basis. 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 newspaper of general circulation, minority media, and by other suitable means. Notices will also be provided in Spanish.

To reach persons who cannot read the newspapers, the PHA will distribute fact sheets to the broadcasting media, and initiate personal contacts with members of the news media and community service personnel. The PHA will also utilize public service announcements.

The PHA will communicate the status of housing availability to other service providers in the community, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.

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

The PHA makes a concerted effort to keep private owners informed of legislative changes in the tenant-based 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 encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. The PHA conducts periodic meetings with participating owners to improve owner relations and to recruit new owners.

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

The PHA will maintain lists of available housing submitted by owners in all neighborhoods within the Housing Authority's jurisdiction to ensure greater mobility and housing choice to very low-income households. The lists of units will be provided on request and provided at briefings.

Printed material is offered to acquaint owners and managers with the opportunities available under the program.

The PHA has active participation in a community-based organization(s) comprised of private property and apartment owners and managers.

The PHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The PHA periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choices and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the PHA's jurisdiction and given a list of landlords or other parties who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration.

Explain the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to real estate agents, landlords, and other groups that have dealings with low-income families or are interested in housing such families.

Chapter 2

ELIGIBILITY FOR ADMISSION

INTRODUCTION

This Chapter defines both HUD and the PHA's criteria for admission and denial of admission to the program. The policy of this PHA is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. The PHA 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 PHA pertaining to their eligibility.

A. ELIGIBILITY FACTORS [982.201(B)]

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

To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional criteria established by the PHA.

The HUD eligibility criteria are:

An applicant must be a "family"

An applicant must be within the appropriate Income Limits

An applicant must furnish Social Security Numbers for all family members.

An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification where required. At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the PHA may provide any financial assistance.

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

Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a Voucher, unless the PHA determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list.

B. FAMILY COMPOSITION [24 CFR 982.201]

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

A “family” includes a family with a child or children. A group of persons consisting of two or more elderly persons (an individual age 62 years or older) 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 PHA 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 (individuals may not be considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence); or any other single person

A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains 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.

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 head, 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

Spouse means the husband or wife of the head.

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

Co-Head

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

Live-in Attendants

A Family may include a live-in aide provided that such live-in aide: is determined by the PHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities; is not obligated for the support of the person(s); and would not be living in the unit except to provide care for the person(s).

A live-in aide is treated differently than family members: income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits; live-in aides are not subject to Non-Citizen Rule requirements; and live-in aides may not be considered as a remaining member of the tenant family.

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

A Live in Aide may only reside in the unit with the approval of the PHA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled.

At any time, the PHA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;

The person commits drug-related criminal activity or violent criminal activity; or

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

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, the PHA will make the 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; the role of domestic violence in the split; and 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 may be denied placement on the waiting list for failure to supply information requested by the PHA.

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 be 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% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively. There will be a self-certification required of families who claim joint custody or temporary guardianship.

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

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

To be eligible for assistance, an applicant must: have an Annual Income at the time of admission that does not exceed the very low income limits for occupancy established by HUD.

To be income eligible the applicant must be a family in the very low income category, which is a family whose income does not exceed 50 percent of the area median income. The PHA will not admit families whose income exceeds 50 percent of the area median income except those families included in 24 CFR 982.201(b).

To be income eligible the family may be under the low-income limit in any of the following categories: [24 CFR 982.201(b)]

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 subject to a resident home ownership program.

To determine if the family is income-eligible, the PHA 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 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]

Applicants and participants are required to provide verification of Social Security Numbers for **all** family members (subject to the exceptions listed below) prior to admission. This requirement also applies to persons joining the family after admission to the program.

The following individuals are exempt from the requirement to provide Social Security Number verification:

1. Those individuals who do not contend to have eligible immigration status (individuals who may be unlawfully present in the United States). These individuals in most instances would not be eligible for a SSN.
2. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid. The PHA may confirm HUD's validation of the participant's SSN by viewing the household's Summary Report or the Identity Verification Report in the EIV system.
3. Existing program participants as of January 31, 2010, who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues ever if the individual moves to a new assisted unit.

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

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

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither, may elect not to contend 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 one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be 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 assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-citizen students. Defined by HUD in the non-citizen regulations. Not eligible for 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 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 apply all applicable HUD eligibility criteria to determine if an applicant may be admitted to the Section 8 program. In addition, an applicant may be denied admission if during the past two years the applicant:

Has previously been found ineligible for or terminated from the program because of the failure to supply information or documentation required by program regulations (including the failure or refusal to sign required documents).

Has failed to respond to written requests(s) for required information or written requests to declare their continued interest in the program.

Has failed to supply a current address or telephone number which resulted in the PHA'S inability to contact the applicant.

The applicant will be denied admission if during the past five years the applicant:

Has violated any family obligation during a previous participation in the Section 8 program. The PHA may make an exception, if the family member who violated the family obligation is not a current member of the household on the application.

Deliberately misrepresented the information on which eligibility or tenant rent is

established (the PHA may also refer the applicant's record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).

Has engaged (or any adult household members have engaged) in any of the criminal behaviors referenced in the section on One-Strike policy in the "Denial or Termination of Assistance" chapter.

The applicant will be denied admission if:

The applicant owes an outstanding debt to the PHA, another PHA or other subsidized housing provider as a result of prior participation in any federal housing program. (The applicant will be considered eligible for purposes of this requirement if the applicant is in good standing regarding a current payment agreement for such debt)

The PHA will also take into consideration any of the other criteria for admission described in the "Denial or Termination of Assistance" chapter.

G. TENANT SCREENING [24 CFR 982.307)]

The PHA will not screen family behavior or suitability for tenancy. The PHA will 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 approval of the tenancy, the PHA will inform the owner that screening and selection for tenancy is the responsibility of the owner. Such owner screening should include such factors as: 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 compliance with other essential conditions of tenancy.

The PHA will advise families how to file a complaint if they have been discriminated against by an owner. The PHA will advise the family to make a Fair Housing complaint. The PHA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

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

Changes that occur during the period between issuance of a voucher and lease up and that may affect the family's eligibility or share of the rental payment shall be processed as follows:

1. The family may be admitted based on information obtained at the time of voucher issuance so long as no more than 90 days have passed since the voucher was issued.

2. Any changes in family circumstances occurring after voucher issuance shall be reflected by processing an interim recertification effective the first day of the month following the month of initial program participation.

3. The family shall have the option of requesting a reevaluation of family circumstances after voucher issuance, but prior to admission. However, the family must be informed that such reevaluation may lead to a determination of ineligibility and withdrawal of the voucher.

I. INELIGIBLE FAMILIES

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

J. PROHIBITED ADMISSIONS CRITERIA [982.202(b)]

Admission to the program may not be based on; where the family lives before admission to the program; 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; or other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections.

Chapter 3

APPLYING FOR ADMISSION

[24 CFR 982.204]

INTRODUCTION

The policy of the PHA is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but the PHA will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Plan.

A. OVERVIEW OF THE APPLICATION TAKING PROCESS

The purpose of application taking is to permit the PHA to gather information and determine placement on the waiting list. The application will contain questions designed to obtain pertinent program information.

Families who wish to apply for any one of the PHA's programs must complete an application form when application taking is open. Applications will be made available in an accessible format upon request from a person with a disability.

When the waiting list is open, any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application.

The application process will involve two phases. The first is the "initial" application for assistance (referred to as a pre-application). This first phase results in the family's placement on the waiting list. The pre-application will be electronically dated, time-stamped, and maintained until such time as it is needed for processing.

The second phase is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. At this time the PHA ensures that verification of all HUD and PHA eligibility factors is current in order to determine the family's eligibility for the issuance of a voucher.

B. "INITIAL" APPLICATION PROCEDURES [24 CFR 982.204(b)]

The PHA will utilize a preliminary application form. The information is to be filled out by the applicant whenever possible. The application form is in electronic format and is available through the internet. Internet equipped computers are available at the Authority office for use by applicants at no charge. Staff members will provide assistance to any applicant who encounters difficulty completing the electronic application. In addition as an accommodation for persons with disabilities, a staff person may complete the application over the telephone.

The purpose of the pre-application is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. Duplicate applications, including applications from a segment of an applicant household, will not be accepted.

Ineligible families will not be placed on the waiting list.

Pre-applications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

If the family is determined to be ineligible based on the information provided in the pre-application, the PHA will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation.

C. COMPLETION OF A FULL APPLICATION

When a family appears to be within three (3) months of being offered a voucher, the family will be invited to participate in a full application interview with a PHA representative. During this interview the applicant will be required to furnish complete and accurate information verbally as requested by the interviewer. The PHA interviewer will complete the full application form with answers supplied by the applicant. The applicant will sign and certify that all information is complete and accurate.

It is at this point in time that the family's waiting list preference will be verified. If the family no longer qualifies to be near the top of the list, the PHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for a review, with the Section 8 Supervisor. If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

If the applicant falsifies document or makes false statements in order to qualify for any preference, they will be removed from the waiting list.

The full application will be communicated as requested as an accommodation to a person with a disability.

Requirement to Attend Interview

The head and spouse or co-head of household are both required to attend the interview. If the head of household cannot attend the interview, the spouse or co-head may attend to complete the application and certify for the family. The head of household, however, will be required to attend an interview within 10 business days to review the information and to certify by signature that all of the information is complete and accurate.

It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule or misses two scheduled meetings, the PHA will reject the application.

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than 10 business days from the original appointment date.

Reasonable accommodation will be made for persons with a disability who requires an advocate or accessible offices. A designee will be allowed to participate in the interview process, but only with permission of the person with a disability.

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review.

All adult members must sign the HUD Form 9886, Release of Information, the application form and all supplemental forms required by the PHA, the declarations and consents related to citizenship/immigration status and any other documents required by the PHA. Applicants will be required to sign specific verification forms for information that is not covered by the HUD form 9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and release as required by the PHA.

If the PHA determines at or after the interview that additional information or document(s) are needed, the PHA will request the document(s) or information in writing. The family will be given 10 business days to supply the information.

If the information is not supplied in this time period, the PHA will provide the family a notification of denial for assistance.

D. EIV SYSTEM

For each prospective participant, the PHA shall at the time of the eligibility interview print and maintain on file a copy of the EIV Existing Tenant Search results.

If the applicant or members of applicant's household are identified by EIV as currently being assisted at or owes a debt to, another Multifamily Housing or Public and Indian Housing (PIH) location, the PHA shall discuss these findings with the appropriate member(s) of applicant household and provide the opportunity to explain the circumstances relative to being assisted at, or owing a debt to, another housing provider.

The PHA shall follow up with the respective housing provider to confirm the applicant's program participation status or debt owed before admission. If necessary the PHA will coordinate move-in/move-out dates with the other housing provided at the other location.

The PHA shall retain Existing Tenant Search results, as well as any related additional documentation, with the application.

E. VERIFICATION

Information provided by the applicant will be verified, using the verification procedures in the "Verification Procedures" chapter. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 120 days old at the time a voucher is issued

F. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verifications completed by the PHA, and the current eligibility criteria in effect. If the family is determined to be eligible, the PHA will mail a notification of eligibility. Such families will be placed in a "pool" of eligible applicants. Applicants from the pool will be issued a voucher in accordance with all preference requirements. Each applicant will receive a briefing in accordance with the requirements of this plan prior to receipt of the voucher.

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

A. OPENING/CLOSING OF APPLICATION TAKING [24 CFR 982.206, 982.54(d)(1)]

The PHA will utilize the following procedures for opening the waiting list.

When the PHA opens the waiting list, the PHA will advertise the programs for which applications are being accepted through public notice on the PHA's website and in local newspapers (including minority publications if available).

The notice will contain: the dates, times, and the locations where families may apply; the programs for which applications will be taken; a brief description of the program; a statement that public housing residents must submit a separate application if they want to apply for section 8; limitations, if any, on who may apply.

The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes the PHA address and telephone number, how to submit an application, information on eligibility requirements, and the availability of local preferences.

Upon request from a person with a disability, additional time will be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

Closing the Waiting List

The PHA may stop applications if there are enough applicants to fill anticipated openings for the next 12 months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

The PHA will announce the closing of the waiting list by public notice.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 12 months. The PHA will give at least 15 days' notice prior to closing the list. When the period for accepting applications is over, the PHA will add the new applicants to the list by separating the new applicants into groups based on preferences.

B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204]

The PHA uses a single waiting list for admission to its Section 8 tenant-based assistance program.

Except for Special Admissions, applicants will be selected from the PHA waiting list in accordance with policies and preferences and income targeting requirements defined in this Administrative Plan.

The PHA will maintain information that permits proper selection from the waiting list.

The waiting list contains the following information for each applicant listed: applicant name; family unit size (number of bedrooms family qualifies for under PHA subsidy standards); date and time of application; qualification for any local preference; racial or ethnic designation of the head of household.

C. SPECIAL ADMISSIONS [24 CFR 982.54(d)(e), 982.203]

If HUD awards a PHA program funding that is targeted for specifically named families, the PHA will admit these families under a Special Admission procedure.

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. The PHA maintains separate records of these admissions. Applicants, who are admitted under Special Admissions, rather than from the waiting list, are identified by codes in the automated system and are not maintained on separate lists.

The following are examples of types of program funding that may be designated by HUD for families living in a specified unit: family displaced because of demolition or disposition of a public or Indian housing project; a family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project; for housing covered by the Low Income Housing Preservation and Resident Home-ownership Act of 1990; a family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and a non-purchasing family residing in a HOPE 1 or HOPE 2 project.

Also included under the category of Special Admissions are VASH voucher holders who no longer require case management services and who are ready to be transitioned to a regular voucher. For purposes of admission under this Section, the number of VASH voucher holders converted to regular vouchers in any calendar year shall not exceed the lesser of 25% of the number of new regular vouchers placed under lease in the previously completed calendar year or projected available funding.

D. WAITING LIST PREFERENCES [24 CFR 982.207]

An applicant will not be granted any Local preference if any member of the family has been evicted from housing assisted under a 1937 Housing Act program during the past three years because of drug-related criminal activity.

The PHA will grant an exception to such a family if: the responsible member has successfully completed a rehabilitation program; or the evicted person clearly did not participate in or know

about the drug related activity; or the evicted person no longer participates in any drug related criminal activity.

If an applicant makes a false statement in order to qualify for a Local preference, the PHA will deny the Local preference for the family.

E. LOCAL PREFERENCES [24 CFR 5.410]

The PHA uses the following Local Preference system:

1. Residency preference for families who live, work, or have been hired to work or who are attending school in the jurisdiction. This preference shall be worth one (47) points.
2. Families who are currently participating in a transitional housing program which receives funding through: McKinney-Vento; HOME; or the Commonwealth of Pennsylvania shall be worth five (20) points.
3. Families which require adaptive or accessible housing due to a physical impairment. This preference shall be worth ten (25) points.

Points awarded for the above listed preferences shall be cumulative as shown in Table 1.

Table One
Preference Matrix - Section 8 Voucher Program

Adapted Dwelling Preference	Transitional Housing Preference	Lebanon County Residence Preference	Total Points
25	20	47	92
25		47	72
	20	47	67
		47	47
25	20		45
25			25
	20		20

Single applicants will be treated as any other eligible family on the waiting list.

NOTE: New applications received by the Authority on or after midnight, May 1, 2009, shall be eligible to claim preference number two (2) described above. Applicants who are active on the Section 8 waiting list as of 11:59 PM, April 30, 2009 shall maintain any preference points previously awarded (subject to all eligibility criteria contained in this Administrative Policy).

F. INCOME TARGETING

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the PHA will reserve a minimum of seventy-five percent of its Section 8 new admissions for families whose income does not exceed 30 percent of the area median income. HUD refers to these families as “extremely low-income families.” The PHA will admit families who qualify under the Extremely Low Income limit to meet the income targeting requirement, regardless of preference.

The PHA’s income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

The PHA is also exempted from this requirement where the PHA is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

The PHA shall have the discretion, at least annually, to exercise the “fungibility” provision of the QHWRA. This provision allows the PHA to admit less than the minimum 40% of its extremely low-income families in a fiscal year to its public housing program to the extent that the PHA’s admission of extremely low-income families in the tenant-based assistance program exceeds 75% of all admissions during the fiscal year. If exercising this option the PHA will follow the fungibility threshold limitations as set forth in QHWRA legislation.

The discretion by the PHA to exercise the fungibility provision is also reflected in the PHA’s public Housing Admissions and Continued Occupancy Policy.

G. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION

At time of the initial application an applicant's certification that they qualify for a preference will be accepted without verification. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the Local Preference and given an opportunity for a meeting.

If, at the time the family applied, the preference claim was the only reason for placement of the family on the list and the family cannot verify their eligibility for the preference as of the date of application, the family will be removed from the list.

H. TARGETED FUNDING [24 CFR 982.203]

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

Applicants who are admitted under targeted funding which are not identified as a Special Admission are identified by codes in the automated system.

I. PREFERENCE AND INCOME TARGETING ELIGIBILITY [24 CFR 5.410]

Change in Circumstances

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the PHA in writing when their circumstances change.

When an applicant claims an additional preference, s/he will be placed on the waiting list in the appropriate order determined by the newly claimed preference.

If the family's verified annual income, at final eligibility determination, does not fall under the Extremely Low Income limit and the family was selected for income targeting purposes before family(ies) with a higher preference, the family will be returned to the waiting list.

Cross-Listing of Different Housing Programs and Section 8 [24 CFR 982.205(a)]

If the waiting list for the PHA's public housing program, or moderate rehabilitation program is open at the time an applicant applies for Section 8, the PHA must offer to place the family on its waiting lists for the other programs.

The PHA may not take any of the following actions because an applicant has applied for, received, or refused other housing: refuse to list the applicant on the PHA waiting list for tenant-based assistance; deny any admission preference for which the applicant is currently qualified; change the applicant's place on the waiting list based on preference, date and time of application, or other factors affecting selection under the PHA selection policy; or remove the applicant from the waiting list.

However, the PHA may remove the applicant from the waiting list for tenant-based assistance if the PHA has offered the applicant assistance under the voucher program.

J. ORDER OF SELECTION [24 CFR 982.207(e)]

The PHA's method for selecting applicants from a preference category leaves a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in this plan.

Applicants will be selected from the waiting list by lottery according to the following procedures.

Applicants will be placed on the waiting list in groups, with each group composed of applicants with an equal number of preference points. Members of the applicant group with a higher number of preference points shall be selected before applicants with a lower number of preference points. The more preference points an applicant has, the higher the applicant's place on the waiting list.

The Section 8 Program Director or designee shall determine when and how many applicants should be selected from the waiting list. This determination shall be based on factors which include, but are not limited to: available funding from HUD; current monthly expenditure level; current number of shoppers (processed applicants with vouchers but who have not yet rented an assisted dwelling) and anticipated turnover rate of current voucher holders.

Once a determination is made that additional applicants should be selected from the waiting list, the Section 8 Program Director shall inform the Executive Director of the number of voucher holders to be selected from the waiting list.

The Executive Director or his designee shall schedule the date and time of the random drawing of applicants from the waiting list. The drawing shall be performed by computer using a random number generator. The drawing shall be witnessed by a least one individual who is not an employee of the PHA. Applicants whose application number matches one of the randomly generated numbers will be selected from the waiting list.

Random number generation shall take into account the preference groups. In no case shall an applicant with a lower preference be selected over an applicant with a higher preference (except as may be required by HUD income targeting requirements).

If a sufficient number of higher preference applicants are not selected during the initial drawing, successive drawings will be held until the previously determined number of applicants are selected, while ensuring integrity of the preference groupings. In cases where the number of applicants to be selected exceeds the total number of applicants in the highest preference group, then all members of that preference group will be selected from the waiting list. The remaining applicants will then be selected by random number generation as described above.

The list of application numbers (application numbers are a computer generated sequence number, not related to the applicant's social security number, birth date, name or any other personal information) selected at the most recent drawing will be posted on the Authority website.

K. FINAL VERIFICATION OF PREFERENCES [24 CFR 5.415]

Preference information on applications will be updated as applicants are selected from the waiting list. At that time, the PHA will obtain necessary verifications of preference at the interview and by third party verification.

L. PREFERENCE DENIAL [24 CFR 5.415]

If the PHA denies a preference, the PHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for a review with the Section 8 Supervisor. If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the Waiting List.

M. APPLICANT STATUS WHILE ON WAITING LIST [CFR 982.204]

Applicants are required to inform the PHA in writing of changes in address, telephone number, family composition and family income. Applicants are also required to respond to requests from the PHA to update information on their application and to determine their interest in assistance.

N. REMOVAL FROM WAITING LIST AND PURGING [24 CFR 982.204(c)]

The Waiting List may be purged as deemed necessary by a mailing to all applicants to ensure that the waiting list is current and accurate. The mailing will ask for confirmation of continued interest.

Any mailings to the applicant that require a response will state that failure to respond within 21 calendar days will result in the applicant's name being dropped from the waiting list. An extension to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file. If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless the Section 8 Supervisor determines there were circumstances beyond the applicant's control. Examples of such circumstances include, but are not limited to: hospitalization of the applicant or immediate family member; death of an immediate family member; or temporary military service (such as National Guard duty).

Chapter 5

SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

INTRODUCTION

HUD guidelines require that PHA's 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. 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 PHA's procedures when a family's size changes, or a family selects a unit size that is different from the Voucher.

A. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]

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

For subsidy standards, an adult is a person 18 years or older.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

One bedroom will be generally be assigned for each two family members. The PHA will consider factors such as family characteristics including sex, age, or relationship. Consideration will also be given for medical reasons and the presence of a live-in aide.

Generally, the PHA assigns one bedroom to two people within the following guidelines:

Persons of different generations, persons of the opposite sex (other than spouses), and unrelated adults should be allocated a separate bedroom.

Foster children will be included in determining unit size only if they will be in the unit for more than 6 months.

Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.

Space may be provided for a child who is away at school but who lives with the family

during school recesses.

Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.

A single pregnant woman with no other family members must be treated as a two-person family.

Single person families shall be allocated one bedroom.

GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household	
	Minimum Number	Maximum Number
0 Bedroom	1	1
1 Bedroom	1	4
2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	6	12
6 Bedrooms	8	14

B. EXCEPTIONS TO SUBSIDY STANDARDS [24 CFR 982.403(a) & (b)]

The PHA shall grant exceptions from the subsidy standards if the family requests and the PHA determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

The PHA will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a:

Verified medical or health reason; or

Elderly persons or persons with disabilities who may require a live-in attendant.

Request for Exceptions to Subsidy Standards

The family may request a larger sized voucher than indicated by the PHA's subsidy standards. Such request must be made in writing within 10 business days of the PHA's determination of bedroom size. The request must explain the need or justification for a larger bedroom. Documentation verifying the need or justification will be required as appropriate.

The PHA will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

Requests based on health related reasons must be verified by a doctor or other medical professional.

PHA Error

If the PHA errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size.

Changes for Applicants

The voucher size is determined prior to the briefing by comparing the family composition to the PHA subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the PHA subsidy standards, the above references guidelines will apply.

Changes for Participants

The members of the family residing in the unit must be approved by the PHA. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within 10 business days. The above referenced guidelines will apply.

Underhoused and Overhoused Families

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the PHA will issue a new voucher of the appropriate size and assist the family in locating a suitable unit.

The PHA will also notify the family of the circumstances under which an exception will be granted, such as:

If a family with a disability is underhoused in an accessible unit.

If a family requires the additional bedroom because of a health problem which has been verified by the PHA.

The PHA and family have been unable to locate a unit within 60 days.

Transfer Waiting List

When a change in family composition requires a larger Voucher size and no funds are available, the family will be placed on a Transfer List.

Families will be selected from the Transfer List before families are selected from the applicant waiting list. This assures that families who are already on the program are in the appropriate sized units.

Families will be selected from this list when there is available funding, in the following

sequence:

A participant family (whose family composition has been approved by the PHA) who requires a change in Voucher size because they are living in a unit which is overcrowded according to Housing Quality Standards.

A participant family (whose family composition has been approved by the PHA) who requires a change in Voucher size under the Subsidy Standards, but not under Housing Quality Standards.

All others who require a transfer as determined by the PHA.

C. UNIT SIZE SELECTED [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher. There are three criteria to consider:

Subsidy Limitation: The family unit size as determined for a family under the PHA subsidy standard for a family assisted in the voucher program is based on the PHA's adopted payment standards. The payment standard for a family shall be the lower of:

The payment standard amount for the family unit size; or

The payment standard amount for the unit size rented by the family.

Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Voucher.

Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

HQS GUIDELINES FOR UNIT SIZE SELECTED

Unit Size	Maximum Number in Household
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

Chapter 6

INCOME, INCOME EXCLUSIONS, DEDUCTIONS & TTP

INTRODUCTION

This Chapter defines annual income and explains the allowable expenses and deductions to be subtracted from Annual Income. In addition, criteria are detailed as to how the presence or absence of household members may affect the Total Tenant Payment. Once the annual income is determined, the PHA subtracts all allowable deductions (allowances) to determine the adjusted annual income on which the Total Tenant Payment is based.

A. INCOME

Annual income means all amounts, monetary or not (including but not limited to the value of goods and services), that:

1. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or
2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
3. Are not specifically excluded from annual income.

Annual income includes, but is not limited to:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. The net income from the operation of a business or profession. Expenditures for business expansion, amortization of capital indebtedness or depreciation of assets are not used as deductions in determining net income. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is a reimbursement of cash or assets invested in the operation by the family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness or depreciation are not used as deductions in determining net income. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.

4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)
6. Welfare assistance provided by any agency is included. In addition, imputed welfare assistance must be included if the individual has lost welfare benefits according to the following conditions:

A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

Specified welfare benefit reduction does not include a reduction or termination of welfare benefits by the welfare agency under the following circumstances:

- a) at expiration of a lifetime or other time limit on the payment of welfare benefits;
- b) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements or
- c) because a family member has not complied with other welfare agency requirements.

A family's annual income includes the amount of the imputed welfare income, plus the total amount of other annual income. The imputed welfare income will be included in annual income during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency). The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero. The PHA may not include imputed

welfare income in annual income if the family was not an assisted resident at the time of sanction.

7. Periodic and determinable allowances, such as alimony, child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
8. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)

B. INCOME EXCLUSIONS

Annual income does not include the following:

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
3. 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;
4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a live-in aide;
6. The full amount of student financial assistance paid directly to the student or to the educational institution;
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
8. The amounts received from the following programs:
 - a) Amounts received under training programs funded by HUD;
 - b) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

c). Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;

d) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

e). Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff.

Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which- the family member participates in the employment training program;

9. Temporary, nonrecurring or sporadic income (including gifts);
10. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
11. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
12. Adoption assistance payments in excess of \$480 per adopted child;
13. For family members who enrolled in certain training programs prior to 10/1/99, the earnings and benefits resulting from the participation if the program provides employment training and supportive services in accordance with the Family Support Act of 1988, Section 22 of the 1937 Act (42 U.S.C. 1437t), or any comparable Federal, State, or local law during the exclusion period. For purposes of this exclusion the following definitions apply:
 - a) Comparable Federal, State or local law means a program providing employment training and supportive services that:
 - i. Is authorized by a Federal, State or local law;

- ii. Is funded by the Federal, State or local government;
- iii. Is operated or administered by a public agency and
- iv. Has as its objective to assist participants in acquiring employment skills.

b) Exclusion period means the period during which the family member participates in a program described in this section, plus 18 months from the date the family member begins the first job acquired by the family member after completion of such program that is not funded by public housing assistance under the 1937 Act. If the family member is terminated from employment with good cause, the exclusion period shall end.

c) Earnings and benefits means the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

14. Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
15. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
16. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
17. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits. These exclusions include:
 - a) The value of the allotment of food stamps
 - b) Payments to volunteers under the Domestic Volunteer Services Act of 1973
 - c) Payments received under the Alaska Native Claims Settlement Act
 - d) Income from submarginal land of the U.S. that is held in trust for certain Indian tribes
 - e) Payments made under HHS Low-Income Energy Assistance Program
 - f) Payments received under the Job Training Partnership Act
 - g) Income from the disposition of funds of the Grand River Band of Ottawa Indians

- h) The first \$2000 per capita received from judgment funds awarded for certain Indian claims
- i) Amount of scholarships awarded under Title IV including Work Study
- j) Payments received under the Older Americans Act of 1965
- k) Payments from Agent Orange Settlement
- l) Payments received under the Maine Indian Claims Act
- m) The value of child care under the Child Care and Development Block Grant Act of 1990
- n) Earned income tax credit refund payments
- o) Payments for living expenses under the Americorps Program

C. SELF-SUFFICIENCY INCENTIVES FOR PERSONS WITH DISABILITIES

Definitions

The following definitions apply for purposes of this section:

1. Disallowance means an exclusion from annual income.
2. Previously unemployed includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.
3. Qualified family is a household:
 - a) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
 - b) Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
 - c) Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local

agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance, provided that the total amount over a six-month period is at least \$500.

Disallowance of increase in annual income Initial twelve month exclusion

During the cumulative twelve 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, the PHA must exclude from annual income (as defined in Section "A" of this chapter) 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.

Second twelve month exclusion and phase-in

During the second cumulative twelve-month period after 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, the PHA must exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

Maximum four year disallowance

The disallowance of increased income of an individual family member who is a person with disabilities as provided in paragraph herein is limited to a lifetime 48 month period. The disallowance only applies for a maximum of twelve months for the 100% disallowance and a maximum of twelve months for 50% disallowance, during the 48 month period starting from the initial exclusion granted under this section.

Inapplicability to admission

The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable)

D. DEDUCTIONS FROM ANNUAL INCOME

The following deductions will be made from annual income:

1. \$480 for each dependent;
2. \$400 for any elderly family or disabled family;

3. The sum of the following, to the extent the sum exceeds three percent of annual income:

Unreimbursed medical expenses of any elderly family or disabled family (this provision may also apply to non-elderly/non-disabled families, but only to the extent approved in appropriation acts) and

Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed, but this allowance may not exceed the earned income received by family members who are 18 years of age or older who are able to work because of such attendant care or auxiliary apparatus.

4. Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.
5. Child Support Payments – Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded may not exceed \$480.00 per year for each child for whom such payment is made.

NOTE: The provisions of this section shall apply ONLY to the extent approved in appropriation acts.

6. Spousal Support Expenses – Any payment made by a member of the family for the support and maintenance of any spouse or former spouse who does not reside in the household, except that the amount excluded shall not exceed the lesser of: the amount that such family member has a legal obligation to pay or \$550.00 per year for each individual for whom such payment is made.

NOTE: The provisions of this section shall apply ONLY to the extent approved in appropriation acts.

E. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT

The PHA must compute all applicable income of every family member who is in the household, including those who are temporarily absent. "Temporarily absent" is defined as away from the unit for less than 90 consecutive days in any twelve month period. At the request of the family any member of the household will be considered permanently absent if s/he is away from the unit for 90 or more consecutive days and is not expected to return to the dwelling (subject to review by the Authority), except as otherwise provided in this Chapter.

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

Absence due to military service

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.

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 PHA 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 90 consecutive days, the family member will not be considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, assistance may be terminated in accordance with the PHA'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: A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of the dwelling size.

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 90 consecutive days in a twelve-month period. The return of any such member shall be subject to compliance with the applicant eligibility and screening process. If the incarceration was for drug-related or violent criminal activity the PHA will not allow the member to return to the household.

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 PHA will determine from the appropriate agency when the child/children will be returned to the home. If the time period is to be greater than three of months from the date of removal of the child/ren, or if all the children are removed from the home permanently, the family will be issued a new voucher for an appropriately size dwelling.

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 PHA will terminate assistance in accordance with appropriate rules and regulations.

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

Families must notify the PHA at least 7 days before leaving the unit or no less than 2 days after leaving the unit if they are going to be absent from the unit for more than 30 consecutive days.

If the entire family is absent from the assisted unit for more than 60 consecutive days (even if the rent is paid) the Authority reserves the right to consider the dwelling to be vacated and to terminate assistance.

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

In order to determine if the family is absent from the unit, the PHA may: write letters to the family at the unit; telephone the family at the unit; interview neighbors; verify if utilities are in service and/or check with the post office.

A person with a disability may request an extension of time as an accommodation, provided that there is a reasonable expectation that the tenant's absence from the dwelling will not exceed 180 consecutive calendar days.

If the absence which resulted in termination of assistance was due to a person's disability, and the PHA can verify that the person was unable to notify the PHA, the PHA may choose (if funding is available) to reinstate the family's assistance. However, any such request from the participant must be made within 180 calendar days of the date the assistance was terminated.

Caretaker for Children

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the PHA will treat that adult as a visitor for the first 90 days. If during the 90-day period the court awards custody or legal guardianship to the caretaker, the voucher will be transferred to the caretaker (subject to the PHA's applicant screening criteria).

If the court has not awarded custody or legal guardianship within 90 days, but the action is in process, the PHA will secure verification from social services staff or the attorney as to the status. The PHA may transfer the voucher to the caretaker (subject to the PHA's applicant screening criteria), in the absence of a court order, if the caretaker has been in the unit for more than 90 days and it is reasonable to expect that custody will be granted.

If custody is awarded for a limited time, the PHA will state in writing that the transfer of the voucher is for that limited time or as long as the caretaker has custody of the children. The PHA will use discretion as deemed appropriate in determining any further assignation of the voucher on behalf of the children.

When the PHA approves a person to reside in the unit as caretaker for the child/ren, the caretaker's income WILL be included in calculating the TTP.

Visitors

Any individual not included on the lease who has been in the unit a total of 48 hours in a calendar month (whether or not the person sleeps in the dwelling) without PHA approval will be considered to be living in the unit as an unauthorized household member.

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

Statements from neighbors and/or other knowledgeable individuals will be 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 be 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 be considered an unauthorized member of the household and the PHA may 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 a member of the household may visit for up to 30 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 be considered to be an eligible visitor and not a family member.

Reporting Additions to the PHA

Reporting changes in household composition to the PHA is both a HUD and a PHA requirement.

The family obligations require the family to request in writing PHA approval to add any other family member as an occupant of the unit and to inform the PHA within 15 days of the birth, adoption or court-awarded custody of a child.

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

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

Reporting Absences to the PHA

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

If a family member leaves the household, the family must report this change to the PHA, in writing, within 15 days of the change and certify as to whether the member is temporarily absent or permanently absent.

The PHA will conduct an interim evaluation for changes which affect the Total Tenant Payment in accordance with the interim policy.

F. ANNUALIZATION OF INCOME

If it is not feasible to anticipate a level of income over a 12 month period (e.g. seasonal or cyclic income), or the PHA believes that past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a re-determination at the end of the shorter period.

G. MINIMUM INCOME

There is no minimum income requirement. Families who report zero income may be subject to interim recertifications at the discretion of the PHA.

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 will make inquiry of the head of household as to the nature of the family's accessible resources.

H. REGULAR CONTRIBUTIONS AND GIFTS

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

Any contribution or gift received every 3 months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than \$200.00 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. (See "Verification Procedures" chapter for further definition.)

If the family's expenses exceed its known income, the PHA will inquire of the family regarding contributions and gifts.

I. ALIMONY AND CHILD SUPPORT

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the PHA will use the reduced amount, provided that:

The Family has not received the full amount of support and/or alimony for at least the past ninety (90) days AND;

The PHA receives verification of the reduced benefit from the agency responsible for enforcement or collection OR 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.

J. LUMP-SUM RECEIPTS

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 considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

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

The PHA uses a calculation method which calculates retroactively or prospectively depending on the circumstances.

The PHA will calculate prospectively if the family reported the payment within 30 days and retroactively to date of receipt if the receipt was not reported within that time frame.

Prospective Calculation Methodology

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

The PHA will determine the percent of the year remaining until the next annual recertification as of the date of the interim. The PHA will then apply the percentage balance to the lump sum and add it to the rest of the annual income.

The lump sum will be added in the same way for any other interim re-examinations which occur prior to the next annual recertification.

Retroactive Calculation Methodology

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

The PHA will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due the PHA.

The family must pay this "retroactive" amount to the PHA in a lump sum. However, at the PHA's option, the PHA may enter into a Payment 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 deducted from 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 fees.

K. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS

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

While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

L. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The PHA must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The PHA will count 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 PHA's minimum threshold for counting assets disposed of for less than Fair Market value is \$1,000.00. If the total value of assets disposed of within a one-year period is less than \$1,000.00, they will not be considered an asset.

M. CHILD CARE EXPENSES

Child care expenses for children under 13 may be deducted 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 private school, only after-hours care can be counted as child care expenses.

Child care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered unable to care for the child include:

The abuser in a documented child abuse situation, or

A person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.

Allowability 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 and such expenses must be reasonable and customary for the service provided. The "person enabled to work" will be 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 not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

N. MEDICAL EXPENSES

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

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

Accupressure, accupuncture and related herbal medicines, will not be considered allowable medical expenses.

O. MINIMUM RENT [24 CFR 5.616]

Minimum Rent

"Minimum rent" is \$50.00. Minimum rent refers to the Total Tenant Payment 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 recognizes that in some circumstances even the minimum rent may create a financial hardship for families. The PHA will review all relevant circumstances brought to the PHA's attention regarding financial hardship as it applies to the minimum rent. The following section states the PHA's procedures and policies in regard to minimum rent 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 hardship criteria: the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program, including a family that includes a member who is a non-citizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Act of 1996; or the family would be evicted because it is unable to pay the minimum rent; or the income of the family has decreased because of changed circumstances, including loss of employment; or a death has occurred in the family.

PHA Notification to Families of Right to Hardship Exception

The PHA 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% of monthly adjusted income, 10% of monthly income, minimum rent or welfare rent.

If the minimum rent is the greatest figure in the calculation of Total Tenant Payment, PHA staff will include a copy of the notice regarding hardship request provided to the family in the family's file. The PHA notification will advise families that hardship exception determinations are subject to PHA review and hearing procedures. The PHA 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 and must include a statement of the family hardship that qualify the family for an exception. The PHA will request documentation as proof of financial hardship. The PHA will use its standard verification procedures to verify circumstances which have resulted in financial hardship.

Suspension of Minimum Rent

The PHA 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 PHA determines whether the hardship is covered by statute and is of a temporary or long term nature.

"Suspension" means that the PHA must not use the minimum rent calculation until the PHA 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

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

Temporary Hardship

If the PHA 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 PHA 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 PHA" chapter for Repayment agreement policy).

Long-Term Duration Hardships

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

Retroactive Determination

The PHA will reimburse the family for any minimum rent charges which took effect after October 21, 1998 that qualified for one of the mandatory exceptions. If the family is owed a retroactive payment, the PHA will offer the family a choice of either a cash refund or a credit towards their rent contribution. The PHA's definition of a cash refund is a check made out to the family. The PHA will not provide a cash refund for amounts owed to the family which are less than \$25.00 and will offset the amount against future HAP payments.

P. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES

Applicability

Proration 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 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.

Q. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

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 PHA'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 not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The PHA must classify utilities in the utility allowance schedule according to the following general categories: space heating, 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 not be provided since the majority of housing units in the market do not have central air conditioning or are not wired for tenant installed air conditioners.

The PHA will review 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 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 actual unit size selected.

Where families provide their own range and refrigerator, the PHA will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate appliance based on the appliance's useful life.

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

Chapter 7

VERIFICATION PROCEDURES

INTRODUCTION

HUD regulations require that the PHA verify the factors of eligibility and Total Tenant Payment. PHA staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information to the PHA whenever information is requested. The PHA's verification requirements are designed to maintain program integrity. This Chapter explains the PHA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The PHA will obtain proper authorization from the family before requesting information from independent sources.

A. METHODS OF VERIFICATION AND TIME ALLOWED

The PHA will verify information through the five methods of verification acceptable to HUD in the following order:

1. Enterprise Income Verification
2. Third-Party Written
3. Third-Party Oral
4. Review of Documents
5. Certification/Self-Declaration

The PHA will allow six weeks for return of third-party verifications and two weeks to obtain other types of verifications before going to the next method. The PHA will document the file as to why third party written verification was not used.

For applicants, verifications may not be more than 120 days old at the start of program participation. For participants, they are valid for 120 days from date of receipt.

Enterprise Income Verification

The PHA's procedures for anticipating annual income will include the use of EIV methods approved by HUD in conjunction with family-provided documents. The PHA will follow "HUD Guidelines for Projecting Annual Income When Enterprise Income Verification (EIV) Data Is Available" in handling differences between EIV and family-provided income data. The

guidelines depend on whether a difference is substantial or not. HUD defines *substantial difference* as a difference of \$200 or more per month.

No Substantial Difference. If EIV information for a particular income source differs from the information provided by a family by less than \$200 per month, the PHA will follow these guidelines:

- 1) If the EIV figure is less than the family's figure, the PHA will use the family's information.
- 2) If the EIV figure is more than the family's figure, the PHA will use the EIV data unless the family provides documentation of a change in circumstances to explain the discrepancy (e.g., a reduction in work hours). Upon receipt of acceptable family-provided documentation of a change in circumstances, the PHA will use the family-provided information.

Substantial Difference. If EIV information for a particular income source differs from the information provided by a family by \$200 or more per month, the PHA will follow these guidelines:

- 1) The PHA will request written third-party verification from the discrepant income source in accordance with 24 CFR 5.236(b)(3)(i).
- 2) When the PHA cannot readily anticipate income (e.g., in cases of seasonal employment, unstable working hours, or suspected fraud), the PHA will review historical income data for patterns of employment, paid benefits, and receipt of other income.
- 3) The PHA will analyze all EIV, third-party, and family-provided data and attempt to resolve the income discrepancy.
- 4) The PHA will use the most current verified income data and, if appropriate, historical income data to calculate anticipated annual income.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail. The family will be required to sign an authorization for the information source to release the specified information.

Verifications received electronically directly from the source are considered third party written verifications.

The PHA will accept verifications in the form of computerized printouts delivered by the family from the following agencies: Social Security Administration; Veterans Administration; Welfare Assistance; Unemployment Compensation Board; Domestic Relations Office and City or County Courts.

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to document with whom they spoke, the date of the conversation, and the facts provided. If oral third party verification is not available, the PHA will rely on any documents provided by the Family.

Review of Documents

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within eight weeks, the PHA will annotate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will complete a Certification of Document Viewed or Person Contacted form or document.

The PHA will accept the following documents from the family provided that the document is such that tampering would be easily noted: printed wage stubs; computer print-outs from the employer; signed letters (provided that the information is confirmed by phone); other documents noted in this Chapter as acceptable verification. The PHA will accept photo copies or electronically transferred documents.

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the PHA will utilize the third party verification. The PHA will not delay the processing of an application beyond eight weeks because a third party information provider does not return the verification in a timely manner.

Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification. Self-certification means a statement under penalty of perjury and must be witnessed.

B. RELEASE OF INFORMATION

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form. In addition, family members will be required to sign the PHA's specific authorization forms in addition to the HUD form 9886, Authorization for Release of Information/Privacy Act Notice. Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the PHA or HUD.

C. COMPUTER MATCHING

Where allowed by HUD and/or other State or local agencies, computer matching will be done. The PHA will utilize HUD computer-based verification systems, including TEVS and EIV as a tool for obtaining information on both earned and unearned sources of income to the family.

When computer matching results in a discrepancy with information in the PHA records, the PHA will follow up with the family and verify income sources to resolve this discrepancy. The family must promptly furnish to the PHA any letter or other notice received from HUD that provides information concerning the amount or verification of family income. If the family has unreported or underreported income, the PHA will follow the relevant procedures in this plan.

D. ITEMS TO BE VERIFIED

1. All income not specifically excluded by the regulations.
2. Full-time student status including High School students who are 18 or over.
3. Current assets including assets disposed of for less than fair market value in preceding two years.
4. Child care expense where it allows an **adult** family member to be employed or to further his/her education.
5. Total medical expenses of all family member in households whose head or spouse is elderly or disabled.
6. Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an **adult** family member to be employed.
7. Disability for determination of preferences, allowances or deductions.
8. U.S. citizenship/eligible immigrant status
9. Social Security Numbers for all family members over 6 years of age or older who have been issued a social security number.
10. "Preference" status
11. Familial/Marital status when needed for head or spouse definition.

12. Verification of reduction in welfare benefits for noncompliance: the PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

E. VERIFICATION OF INCOME

This section defines the methods the PHA will use to verify various types of income. If available income verifications from the HUD EIV system shall always be the preferred method of verification.

Employment Income

Verification forms request the employer to specify the: dates of employment; amount and frequency of pay; date of the last pay increase; likelihood of change of employment status and effective date of any known salary increase during the next 12 months; year to date earnings; estimated income from overtime, tips, bonus pay expected during next 12 months.

Acceptable methods of verification include, in this order:

1. Employment verification form completed by the employer.
2. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.
3. W-2 forms plus income tax return forms.
4. Income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income. In cases where there are questions about the validity of information provided by the family, the PHA will require the most recent federal income tax statements.

Social Security, Pensions, Supplementary Security Income (SSI), Disability Income

Acceptable methods of verification include, in this order:

1. Computer report electronically obtained or in hard copy.
2. Benefit verification form completed by agency providing the benefits.
3. Award or benefit notification letters prepared and signed by the providing agency.

Unemployment Compensation

Acceptable methods of verification include, in this order:

1. Verification form completed by the unemployment compensation agency.
2. Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.
3. Payment stubs.

Welfare Payments or General Assistance

Acceptable methods of verification include, in this order:

1. PHA verification form completed by payment provider.
2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
3. Computer-generated Notice of Action.

Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

1. PHA verification form or computer record from the Court Trustee.
2. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
3. A notarized letter from the person paying the support.
4. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

If payments are irregular, the family must provide: a copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules and statement from the agency responsible for enforcing payments to show that the payments are delinquent.

Net Income from a Business

In order to verify the net income from a business, the PHA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including: Schedule C (Small Business); Schedule E (Rental Property Income); and/or Schedule F (Farm Income)
2. Audited or unaudited financial statement(s) of the business.
3. Credit report or loan application.
4. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
5. Family's self-certification as to net income realized from the business during previous years.

Child Care Business

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the PHA will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

Recurring Gifts

The family must furnish a self-certification which contains the following information: the person who provides the gifts; the value of the gifts; the regularity (dates) of the gifts; and the purpose of the gifts.

Zero Income Status

Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household. The PHA will run a credit report if information is received that indicates the family has an unreported income source.

Full-time Student Status

Only the first \$480 of the earned income of full time students, other than head, co-head, or spouse, will be counted towards family income. Financial aid, scholarships and grants received by full time students is not counted towards family income.

Verification of full time student status includes: written verification from the registrar's office or other school official; or school records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

F. INCOME FROM ASSETS

Savings Account Interest Income and Dividends

Acceptable methods of verification include, in this order:

1. Account statements, passbooks, certificates of deposit, or PHA verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
3. IRS Form 1099 from the financial institution, provided that the PHA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

Acceptable methods of verification include, in this order:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

Net Rental Income from Property Owned by Family

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
4. Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

G. VERIFICATION OF ASSETS

Family Assets

The PHA will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

Acceptable verification may include any of the following:

1. Verification forms, letters, or documents from a financial institution or broker.
2. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
3. Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.
4. Real estate tax statements if the approximate current market value can be deduced from assessment.
5. Financial statements for business assets.
6. Copies of closing documents showing the selling price and the distribution of the sales proceeds.
7. Appraisals of personal property held as an investment.
8. Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification

For all Certifications and Re-certifications, the PHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value (or if it is otherwise determined that there has been an unexplained decrease in assets), verification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses

Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services. Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods. The family must certify as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Medical Expenses

Families who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

1. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
2. Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
3. Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.
4. For attendant care a reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes. In addition, the attendant must provide a written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.
5. Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.
6. Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.
7. Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. PHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.
8. The PHA will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities

For all types of assistance a written certification is required from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed. In addition, the family must certify as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

For attendant care: a written certification from the attendant of amount received from the family, frequency of receipt, and hours of care provided; and/or copies of canceled checks the family used to make payments.

For auxiliary apparatus receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus. In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS

Verification of Legal Identity

In order to prevent program abuse, the PHA will require applicants to furnish verification of legal identity for all family members. The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

1. Certificate of Birth, naturalization papers
2. Church issued baptismal certificate
3. Current, valid Driver's license
4. U.S. military discharge (DD 214)
5. U.S. passport
6. Voter's registration
7. Company/agency Identification Card
8. Department of Motor Vehicles Identification Card

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

1. Certificate of Birth

2. Adoption papers
3. Custody agreement
4. Health and Human Services ID
5. School records

If none of these documents can be provided, a third party who knows the person may, at the PHA's discretion, provide verification.

Verification of Marital Status

Certification will normally be considered sufficient verification of marital status. In cases where reasonable doubt exists, the family may be asked to provide documentation such as: a marriage certificate; certified copy of a divorce decree; or court-ordered separation agreement.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

Verification of Permanent Absence of Family Member

If an adult member who was formerly a member of the household is reported permanently absent by the family, the PHA will consider any of the following as verification: husband or wife institutes divorce action; husband or wife institutes legal separation; order of protection/restraining order obtained by one family member against another; proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available; statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location. If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated. If no other proof can be provided, the PHA will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.

Verification of Change in Family Composition

The PHA may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights

Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD language as the verification format.

Verification of Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the PHA hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

The PHA will not require citizens to provide documentation of citizenship.

Eligible Immigrants who were Participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. The PHA will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family. For family members added

after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated, except that, in the case of port-in families, if the initial PHA does not supply the documents, the PHA must conduct the determination.

Acceptable Documents of Eligible Immigration

Federal regulations stipulate that only the following documents are acceptable proof of immigration status: Resident Alien Card (I-551); Alien Registration Receipt Card (I-151); Arrival-Departure Record (I-94); Temporary Resident Card (I-688); Employment Authorization Card (I-688B); or a receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified. A birth certificate is not acceptable verification of status.

Verification of Social Security Numbers

Social security numbers must be provided as a condition of eligibility for all family members. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the documents listed below showing his or her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

A driver's license; identification card issued by a Federal, State or local agency; identification card issued by a medical insurance company or provider (including Medicare and Medicaid); an identification card issued by an employer or trade union; an identification card issued by a medical insurance company; earnings statements or payroll stubs; bank statements; IRS Form 1099; benefit award letters from government agencies; retirement benefit letter; life insurance policies; court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records; or verification of benefits or Social Security Number from Social Security Administration.

New family members will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the PHA.

If an applicant or participant is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by the PHA. The applicant/participant or family member will have an additional 60 days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's assistance will be terminated or the applicant will be removed from the waiting list.

Medical Need for Larger Unit

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

J. VERIFICATION OF WAITING LIST PREFERENCES

Local Preferences

Residency Preference: For families who live, work or have been hired to work in the jurisdiction of the PHA. Families who are unable to work due to age or disability automatically qualify for this preference. In order to verify that an applicant is a resident, the PHA will require a minimum of two of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, drivers licenses, voters registration records, credit reports, statement from household with whom the family is residing. For families who have been hired to work in jurisdiction of the PHA, a statement from the employer will be required.

Transitional Housing Preference: The PHA will require a referral from the appropriate agency certifying that the family has been enrolled in a qualifying transitional housing program.

Adaptive Housing Preference: A statement from a physician, rehabilitation specialist or licensed social worker that the family requires an accessible/adaptive dwelling; that such features are not present in the family's current dwelling or that the family occupies an accessible/adaptive dwelling but that the monthly rent (including utility costs) exceeds 50% of the family's monthly income.

Chapter 8

VOUCHER ISSUANCE AND BRIEFINGS

INTRODUCTION

The PHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This Chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

A. ISSUANCE OF VOUCHERS [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, the PHA will issue Vouchers to applicants whose eligibility has been determined. The number of Vouchers issued must ensure that the PHA stays as close as possible to 100 percent lease-up. The PHA performs a monthly calculation electronically to determine whether applications can be processed, the number of Vouchers that can be issued, and to what extent the PHA can over-issue (issue more Vouchers than the budget allows to achieve leaseup).

The PHA may over-issue Vouchers only to the extent necessary to meet leasing goals. All Vouchers which are over-issued must be honored. If the PHA finds it is over-leased, it must adjust future issuance of Vouchers in order not to exceed the ACC budget limitations over the fiscal year.

B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted individually or in groups. Families who attend group briefings and still have the need for individual assistance will be referred to a Section 8 staff member. Briefings will be conducted in English.

The purpose of the briefing is to explain how the program works and the documents in the Voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The PHA will not issue a Voucher to a family unless the household representative has attended a briefing and signed the Voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two scheduled briefings, without prior notification and approval of the PHA, may be denied admission based on failure to supply information needed for certification. The PHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the Voucher program will comply with all HUD requirements. The PHA may from time to time also include other information and/or materials which are not required by HUD.

The family is provided with the following information and materials:

The term of the voucher, and the PHA policy for requesting extensions or suspensions of the voucher (referred to as tolling).

A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family; how the PHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the PHA determines the maximum allowable rent for an assisted unit.

Where the family may lease a unit. For family that qualifies to lease a unit outside the PHA jurisdiction under portability procedures, the information must include an explanation of how portability works.

The HUD required tenancy addendum, which must be included in the lease.

The Request for Approval of Tenancy form and a description of the procedure for requesting approval for a unit.

A statement of the PHA policy on providing information about families to prospective owners.

The PHA Subsidy Standards including when and how exceptions are made.

The HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.

The HUD brochure on lead-based paint.

Information on federal, State and local equal opportunity laws and a copy of the pamphlet "Fair Housing: It's Your Right".

A list of landlords or other parties willing to lease to assisted families or help in the search and/or known units available for the voucher issued. The list includes landlords or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.

If the family includes a person with disabilities, notice that the PHA will provide a list of available accessible units known to the PHA.

The Family Obligations under the program.

The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.

PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability.

A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families.

Information regarding the PHA's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations. A list of properties or property management organizations (if any) that own or operate housing units outside areas of poverty or minority concentration.

If the family includes a person with disabilities, the PHA will ensure compliance with CFR 8.6 to ensure effective communication.

Move Briefing

A move briefing may be held for participants who will be reissued a Voucher to move and have given notice of intent to vacate to their landlord. This briefing includes incoming and outgoing portable families.

Owner Briefing

Briefings are held for owners as needed. All new owners receive a personal invitation and current owners are notified by letter. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties. Interested owners who request to sit in on scheduled family briefings to obtain information about the Voucher program will be allowed to do so.

C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

At the briefing, families are encouraged to search for housing in non-impacted areas and the PHA will provide assistance to families who wish to do so.

The PHA has areas of poverty and minority concentration clearly delineated in order to provide families with information and encouragement in seeking housing opportunities outside highly concentrated areas.

The PHA has maps that show various areas and information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.

The assistance provided to such families includes: direct contact with landlords; counseling with the family; providing information about services in various non-impacted areas; formal or informal discussions with landlord groups; formal or informal discussions with social service agencies; meeting with rental referral companies or agencies; meeting with fair housing groups or agencies

D. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]

The owner is not required to but may collect a security deposit from the tenant. Security deposits charged to families may be any amount the owner wishes, not to exceed the amount charged to unassisted tenants up to the maximum permitted by state law.

For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

E. TERM OF VOUCHER [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a Voucher which represents a contractual agreement between the PHA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

Expirations

The Voucher is valid for a period of at least ninety calendar days from the date of issuance. The family must submit a Request for Approval of the Tenancy and Lease within the ninety-day period unless an extension has been granted by the PHA.

If the Voucher has expired, and has not been extended by the PHA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

Suspensions

When a Request for Approval of Tenancy is received, the PHA will deduct the number of days required to process the request from the term of the voucher.

Extensions

A family may make a written request for an extension of the Voucher time period. All requests for extensions must be received prior to the expiration date of the Voucher. Extensions are permissible at the discretion of the PHA primarily for these reasons:

If the family needs an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability. Multiple extensions may be granted as a reasonable accommodation.

Extenuating circumstances such as hospitalization or a family emergency for an extended period of time that has affected the family's ability to find a unit within the initial ninety-day period.

The PHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the PHA, throughout the initial ninety-day period.

Unless approved by the Section 8 Supervisor, no more than one extension of 30 days will be granted.

Assistance to Voucher Holders

Families who require additional assistance during their search may call the PHA Office to request assistance. Voucher holders will be notified at their briefing session that the PHA periodically updates the listing of available units and how the updated list may be obtained.

The PHA will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

F. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the Section 8 Supervisor shall consider the following factors to determine which of the families will continue to be assisted:

Which of the two new family units has custody of dependent children.

Which family member was the HOH when the Voucher was initially issued

The composition of the new family units, and which unit contains elderly or disabled

members.

Whether domestic violence was involved in the breakup.

Which family members remain in the unit.

Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

G. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER

To be considered the remaining member of the tenant family, the person must have been previously approved by the PHA to be living in the unit. A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member the PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a reduction in the voucher family unit size.

Chapter 9

REQUEST FOR APPROVAL OF TENANCY & CONTRACT EXECUTION

INTRODUCTION

The PHA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The PHA's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the PHA, or outside of the PHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the PHA. This Chapter defines the types of eligible housing, the PHA's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests For Approval of Tenancy (RFAT).

A. REQUEST FOR APPROVAL OF TENANCY [24 CFR 982.302, 982.305(b)]

The Request for Approval of Tenancy (RFAT) and a copy of the proposed Lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher. The family must submit the Request for Approval of Tenancy in the form and manner required by the PHA.

Both the owner and Voucher holder must sign the Request for Approval of Tenancy. The PHA will not permit the family to submit more than one RFAT at a time. The PHA will review the proposed lease and the Request for Approval of Tenancy documents to determine whether or not they are approvable. The Request will be approved if:

The unit is an eligible type of housing

The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)

The rent is reasonable

The Security Deposit is approvable in accordance with any limitations in this plan.

The proposed lease complies with HUD and PHA requirements (See "Lease Review" section below).

The owner is approvable, and there are no conflicts of interest (See "Owner Disapproval" section below). In addition to the above, at the time a family initially receives assistance (new admissions and moves), the family share of rent may not exceed 40 percent of the family monthly

adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" chapter of this Administrative Plan).

Disapproval of RFTA

If the PHA determines that the Request cannot be approved for any reason, the landlord and the family will be notified in writing. The PHA will instruct the owner and family of the steps that are necessary to approve the Request. The owner will be given 15 calendar days to submit an approvable RFAT from the date of disapproval.

When, for any reason, an RFAT is not approved, the PHA will furnish another RFAT form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

Limitation on Submission of Approved RFTAs

Once the RFTA is submitted, the dwelling inspected and the lease approved, the family retains the option of choosing not to enter into a lease agreement for that particular unit. If the family's voucher has not expired the family may continue to search for a suitable dwelling and may submit another RFTA. However, in no case shall the family be permitted to submit more than two approved RFTAs. If the second dwelling is found to meet all program standards and the property owner is willing to enter into a lease, then the family must enter into a lease agreement for that dwelling. If the family fails to enter into a lease agreement for the second approved dwelling the voucher will be withdrawn.

B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353, 982.54(d)(15)]

The PHA will approve any of the following types of housing in the Voucher program: all conventional structure types can be utilized; manufactured homes where the tenant leases the mobile home and the pad; manufactured homes where the tenant owns the mobile home and leases the pad; units owned (but not subsidized) by the PHA (following HUD-prescribed requirements); group homes; congregate facilities (only the shelter rent is assisted), cooperative housing and shared housing.

The PHA **will not** approve the following types of housing in the Voucher program: single room occupancy.

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development. The PHA may not permit a Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

C. LEASE REVIEW [24 CFR 982.308]

The PHA will review the lease, particularly noting the approvability of optional charges and compliance with regulations and State and local law. The tenant also must have legal capacity to enter a lease under State and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the on the Request For Approval of Tenancy.

The family and owner must submit a standard form lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with State and local law. The lease must specify what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family., The HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed.

House Rules of the owner may be attached to the lease as an addendum, provided they are approved by the PHA to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.

Actions Before Lease Term

All of the following must always be completed before the beginning of the initial term of the lease for a unit: the PHA has inspected the unit and has determined that the unit satisfies the HQS; the landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum; and the PHA has approved leasing of the unit in accordance with program requirements

D. SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease. The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction. Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the PHA.

Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed. All agreements for special items or services must be attached to the lease approved by the PHA. If agreements are entered into at a later date, they must be approved by the PHA and attached to the lease.

The PHA will not approve separate charges for utilities that are not individually metered. Utilities to be paid by the tenant must be clearly indicated on the RFTA, enumerated on the lease and be subject to individual metering (or individual billing by a third party, such as the cost for refuse removal). All master metered utilities must be paid by the owner and the costs included in the monthly rent.

E. RENT LIMITATIONS [24 CFR 982.503]

The PHA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

F. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]

If the proposed Gross Rent is not reasonable, at the family's request, the PHA will negotiate with the owner to reduce the rent to a reasonable rent. If the rent can be approved after negotiations with the owner, the PHA will continue processing the Request for Approval of Tenancy and Lease. If the revised rent involves a change in the provision of utilities, a new Request for Approval of Tenancy must be submitted by the owner.

If the owner does not agree on the rent after the PHA has tried and failed to negotiate a revised rent, the PHA will inform the family and owner that the lease is disapproved.

G. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d)(7)]

In accordance with HUD requirements, the PHA will furnish prospective owners with the family's current address as shown in the PHA's records and, if known to the PHA, the name and address of the landlord at the family's current and prior address. The PHA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The PHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

The PHA will provide prospective owners with the following information, based on documentation in its possession: eviction history; damage to rental units; drug Trafficking by family members; the information will be provided for the last 2 years. The information will be provided orally or in writing. The PHA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

H. CHANGE IN TOTAL TENANT PAYMENT PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the Total Family Share prior to the effective date of the HAP contract at admission, the information will be verified and the Total Family Share will be recalculated. If the family does not report any change, the PHA need not obtain new verifications before signing the HAP Contract, even if verifications are more than 120 days old.

I. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]

The PHA prepares the Housing Assistance Contract and lease for execution. The family and the owner will execute the Lease agreement, and the owner and the PHA will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents. The PHA will retain a copy of all signed documents.

The PHA makes every effort to execute the HAP Contract before the commencement of the lease term. The HAP Contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed. The following PHA representative(s) is/are authorized to execute a contract on behalf of the PHA: Executive Director or his designee.

Owners must provide an Employer Identification Number or Social Security Number. Owners must also submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent. The owner must provide a home telephone number and business number if applicable.

Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

Chapter 10

HOUSING QUALITY STANDARDS AND INSPECTIONS

INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The PHA will inspect each unit under contract at least biennially. The PHA will also have an inspection supervisor perform quality control inspections on the number of files required for file sampling by SEMAP annually to maintain the PHA's required standards and to assure consistency in the PHA's program. This Chapter describes the PHA's procedures for performing HQS and other types of inspections, and PHA standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and PHA requirements. (See the additions to HQS listed under "Acceptability Criteria and Exceptions to HQS" later in this chapter.)

A. GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The PHA will not promote any additional acceptability criteria which are likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

All utilities must be in service prior to the effective date of the HAP contract. If the utilities are not in service at the time of inspection, the PHA will notify the tenant or owner (whomever is responsible for the utilities according to the RFAT) to have the utilities turned on. The owner and tenant will both certify that the utilities are on.

If the tenant is responsible for supplying the stove and/or the refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS. The family must then certify that the appliances are in the unit and working. The PHA will not conduct a re-inspection.

There are four types of inspections the PHA will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Approval of Tenancy.
2. Annual/Biennial: Must be conducted within twelve to twenty four months of the last annual/Biennial inspection.
3. Special/Complaint: At request of owner, family or an agency or third-party.

4. Quality Control

B. INITIAL HQS INSPECTION [24 CFR 982.401(a)]

Timely Initial HQS Inspection

The PHA will inspect the unit, determine whether the unit satisfies the HQS and notify the family and owner of the determination within 15 days after the family and the owner have submitted a request for approval of tenancy. The same 15-day period will be suspended during any time when the unit is not available for inspection.

The Initial Inspection will be conducted to:

Determine if the unit and property meet the HQS defined in this Plan.

Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.

Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the family and owner will be advised to notify the PHA once repairs are completed. On an initial inspection, the owner will be given up to 60 days to correct the items noted as Fail, at the Inspector's discretion, depending on the amount and complexity of work to be done. The owner will be allowed up to two re-inspections for repair work to be completed. If the time period given to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit.

C. ANNUAL/BIENNIAL HQS INSPECTIONS [24 CFR 982.405(a)]

Section 220 of the 2014 HUD Appropriations Act allows PHAs to inspect assisted dwelling units during the term of a HAP contract not less than biennially instead of annually. The PHA has chosen to implement the biennial inspection process subject to the following conditions:

1. Assisted units scheduled for their next annual inspection on or after January 1, 2015 will be eligible to be inspected biennially.
2. To qualify for a biennial inspection the most recently completed dwelling inspection must have documented no more than one (1) none emergency physical defect.
3. Any dwelling inspection which documents either an emergency physical defect or more than one (1) none emergency physical defect shall make the dwelling ineligible for a biennial inspection. All such dwellings must be inspected annually.
4. The following is an example of the process for determining the frequency of inspections for participating dwellings: Unit A and B were both previously inspected in January 2014 and are both due for the next annual inspection in January 2015. The 2014 inspection for

Unit A listed only one non emergency defect, an inoperable light switch. Since the last inspection for Unit A found only one non emergency defect, Unit A will not be reinspected until January 2016.

The 2014 inspection for Unit B listed two non emergency defects, an inoperable light switch and a cracked window pane. Since the last inspection for Unit B found more than one non emergency defect, Unit B will be inspected in January 2015.

The PHA conducts an inspection in accordance with Housing Quality Standards at least annually, Special inspections may be scheduled between anniversary dates. HQS deficiencies which cause a unit to fail must be corrected by the landlord unless the failure is due to tenant caused damage. The family must allow the PHA to inspect the unit at reasonable times (8:30 AM – 7:00 PM) with reasonable notice.

The family and owner are notified of the date and time of the inspection appointment by mail or phone. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within 15 days. If the family does not contact the PHA to reschedule the inspection, or if the family misses two inspection appointments, the PHA will consider the family to have violated a Family Obligation and their assistance will be terminated in accordance with the termination procedures in the Plan.

Time Standards for Repairs

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification. (See Emergency Repair Items section.) For non-emergency items, repairs must be made within 30 days (except that if the 30th day falls on a non-business day, the repair deadline shall automatically be extended until the next business day). For major repairs or weather sensitive repairs, the Housing Inspector may approve an extension beyond 30 days.

Re-inspection for Non-Life Threatening/ Non Emergency Violations

If the unit fails the inspection as the result of a non-life threatening/non-emergency violation(s), a letter listing the required repairs will be sent to the owner and tenant. The owner will be given 30 calendar days to complete the repairs. The PHA at its sole discretion may either re-inspect the dwelling or allow the owner to self-certify confirming that all repairs have been completed.

If the owner does not notify the Authority that repairs have been completed within 30 days, a termination notice will be issued to the tenant (with a copy to the owner), and the Housing Authority will issue a notice to abate (stop) the rent beginning on the day repairs were due to be completed.

Once repairs have been completed (and either the unit is re-inspected or a self certification is received by the Housing Authority), and at its sole discretion, the Authority may withdraw any termination notice or rent abatement notice that has been issued and resume payments effective as of the date that confirmation of the repairs is performed.

Self-certification is only acceptable for non-emergency/non-life threatening failures that are the owner's responsibility to fix. Failures in vacant units, emergency/life threatening failures and failures identified as the tenant's responsibility to fix must be re-inspected by the Authority. The Authority reserves the right to re-inspect any dwelling at any time subject to proper notice to the tenant and owner.

Re-inspection for Life Threatening/Emergency Violations

If the unit fails the inspection for life threatening violations the owner and tenant will be informed that repairs must be made within the time period specified in this policy. A re-inspection appointment will be scheduled.

If the unit fails the re-inspection, the Housing Authority will issue a notice to the tenant (with a copy to the owner) and abate (stop) the rent starting on the day the repairs were due to be completed.

Rent Increases

Rent to owner increases may not be approved if the unit is in a failed condition.

D. MOVE OUT/VACATE

Move out inspections may be performed at the discretion of the Section 8 Supervisor.

E. SPECIAL/COMPLAINT INSPECTIONS [24 CFR 982.405(c)]

If at any time the family or owner notifies the PHA that the unit does not meet Housing Quality Standards, the PHA will conduct an inspection. The PHA may also conduct a special inspection based on information from third parties such as neighbors or public officials. The PHA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

If the next annual/biennial inspection date is within 120 days of a special inspection, and as long as all areas of the dwelling are inspected that are included in an annual/biennial inspection, then the special inspection will be categorized as an annual/biennial and all annual/biennial procedures will be followed.

F. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b)]

Quality Control inspections will be performed by the Section 8 Supervisor on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS. The sampling of files will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors.

G. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS [24 CFR 982.401 (a)]

The PHA adheres to the acceptability criteria in the program regulations with the additions described below.

Walls:

In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it must be repaired or replaced.

Any exterior or interior surfaces with peeling or chipping lead paint must be repaired in accordance with the most recent HUD guidelines concerning lead paint. Deteriorated paint not containing lead may be repaired by the owner. In instances where the lead content of the painted surface is in question, the Authority will assume the paint contains lead.

Windows:

All window sashes must be in good condition, solid and intact, and fit properly in the window frame. Damaged or deteriorated sashes must be replaced. Windows must be weather stripped as needed to ensure a watertight seal. Dwellings without air conditioning must have a screen on at least one window in each room. Window screens must be in good condition. (applies only if screens are required). Any room for sleeping must have a window or other secondary means of egress.

Doors:

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold. All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

Floors:

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced. All floors must be in a finished state (no plywood). All floors should have

some type of baseshoe, trim, or sealing for a "finished look." Vinyl baseshoe may be used for kitchens and bathrooms.

Bath Fixtures:

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly. All sinks must have functioning stoppers.

Security:

If window security bars or security screens are present on emergency exit window, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

Owners are responsible for providing and replacing old batteries for battery powered units. Tenants will be instructed not to tamper with smoke detectors or remove batteries.

Bedrooms:

Bedrooms must be at least fifty-six square feet in size, with minimum dimensions of seven feet by eight feet. (NOTE: this requirement will apply only to initial inspections conducted on or after May 1, 2004.) Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability. Minimum bedroom ceiling height is 7'6" or local code whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.

Modifications

Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes. Extension for repair items not required by HQS will be granted for modifications/adaptations to the unit if agreed to by the tenant and landlord. PHA will allow execution of the HAP contract if unit meets all requirements and the modifications do not affect the livability of the unit.

H. EMERGENCY/URGENT REPAIR ITEMS [24 CFR 982.401(a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the Inspector: lack of security for the unit; waterlogged ceiling in imminent danger of falling; major plumbing leaks or flooding; natural gas leak or fumes; electrical problem which could result in shock or fire; no heat when outside temperature is below 50 degrees Fahrenheit and temperature inside unit is below 60 degrees Fahrenheit; utilities not in service or no running hot water; broken glass where someone could be injured; obstacle which prevents tenant's entrance or exit; or lack of a functioning toilet

The PHA may give a short extension (not more than 48 additional hours) whenever the responsible party cannot be notified or it is impossible to affect the repair within the 24-hour period.

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, the PHA will notify the proper authorities.

If the emergency repair item(s) are not corrected in the time period required by the PHA, and the owner is responsible, the housing assistance payment will be abated and the HAP contract will be terminated. If the emergency repair item(s) are not corrected in the time period required by the PHA, and it is an HQS breach that is a family obligation, the PHA will terminate the assistance to the family.

Smoke Detectors

The PHA will treat inoperable smoke detectors as an urgent fail item. If the smoke detector is not operating properly the PHA will contact the owner and tenant by the most expeditious means possible and request the owner to repair the smoke detector within 72 hours. The PHA will re-inspect the unit within five business days. If the PHA determines that the family has purposely disconnected the smoke detector or the detector requires a new battery, the family will be required to repair the smoke detector within 72 hours and the PHA will re-inspect the unit the within five business days.

I. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)

When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner has not completed the necessary repair(s) in the time period specified by the PHA, the assistance payment to the owner will be abated.

Abatement

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day after the deadline for repairs. The notice is generally for 15 days, depending on the nature of the repair(s) needed. The PHA will inspect abated units within 7 days of the owner's notification that the work has been completed. If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. The notice of abatement states that the tenant is not responsible for the PHA's portion of rent that is abated.

Reduction of Payments

The PHA will grant an extension in lieu of abatement in the following cases: there is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for

services; the repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds; or the repairs must be delayed due to climate conditions.

Extensions will be made for a period of time not to exceed 30 days. At the end of that time if the work is not completed or substantially complete, the PHA, at its discretion, may grant an additional extension or may begin termination of assistance.

Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Contract Proposed Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect.

If repairs are completed before the effective termination date, the PHA may rescind the termination if the tenant chooses to remain in the unit. No more than two Housing Quality Standards inspections will be conducted after the termination notice is issued.

J. DETERMINATION OF RESPONSIBILITY [24 CFR 982.404, 982.54(d)(14)]

Certain HQS deficiencies are considered the responsibility of the family: tenant-paid utilities not in service; failure to provide or maintain family-supplied appliances; damage to the unit or premises caused by a household member or guest beyond normal wear and tear (normal wear and tear is defined as items which could be charged against the tenant's security deposit under state law or court practice). If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

The owner is responsible for all other HQS violations. The owner is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The PHA may terminate the family's assistance on that basis.

K. CONSEQUENCES IF FAMILY IS RESPONSIBLE [24 CFR 982.404(b)]

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the PHA will require the family make any repair(s) or corrections within 30 days. If the repair(s) or correction(s) are not made in this time period, the PHA will terminate assistance to the family, after providing an opportunity for an informal hearing. The Section 8 Supervisor must approve extensions in these cases. The owner's rent will not be abated for items which are the family's responsibility. If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

Chapter 11

OWNER RENTS, RENT REASONABLENESS, & PAYMENT STANDARDS

INTRODUCTION

The PHA will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the PHA's responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507(b).

This Chapter explains the PHA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM

The Rent to Owner is limited only by rent reasonableness. The PHA must demonstrate that the Rent to Owner is reasonable in comparison to rent for other comparable unassisted units.

The only other limitation on rent to owner is the maximum rent standard at initial occupancy (24 CFR 982.508). At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, the family share may not exceed 40 percent of the family's monthly adjusted income. During the initial term of the lease, the owner may not raise the rent to the family.

B. MAKING PAYMENTS TO OWNERS [24 CFR 982.451]

Once the HAP Contract is executed, the PHA begins processing payments to the landlord. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Checks are disbursed by the Occupancy Department to the owner each month. Checks may be picked up by the owner at the PHA. Checks will only be disbursed on the 15th and 30th of the month. Exceptions may be made in cases of hardship or because of a PHA error. Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.

Excess Payments

The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the PHA. Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to the PHA" chapter of this Administrative Plan.

Late Payments to Owners

It is a local business practice in Lebanon County for property managers and owners to charge tenants a reasonable late fee for rents not received by the owner or property manager by the due date, notwithstanding any grace period which is typically 5 days past the first of the month.

Therefore, in keeping with generally accepted practices in the local housing market, the PHA must make housing assistance payments to the owner promptly and in accordance with the HAP contract. The PHA will pay a \$5.00 late fee to the owner for housing assistance payments that are not mailed to the owner by the 5th day of the month, if requested by the owner.

To assist the PHA in its outreach efforts to owners, and to provide better customer service, the PHA will offer to make automatic monthly HAP deposits into the bank account of the owner. If the owner agrees to such an arrangement with the PHA, the date the bank shows as the deposit date, will be the official date of record and will be the determining factor in cases involving late payment penalties.

The PHA will not be obligated to pay any late payment penalty if HUD determines that late payment is due to factors beyond the PHA's control, such as a delay in the receipt of program funds from HUD. The PHA will use administrative fee income or the administrative fee reserve as its only source for late payment penalty. The PHA will not use any program funds for the payment of late fee penalties to the owner.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

The PHA will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs.

The PHA will not approve a lease until the PHA determines that the initial rent to owner is a reasonable rent. The PHA must re-determine the reasonable rent before any increase in the rent to owner, and if there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

The PHA must re-determine rent reasonableness if directed by HUD and based on a need identified by the PHA's auditing system. The PHA may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or re-determined by the PHA

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. If requested, the owner must give the PHA information on rents charged by the owner for other units in the premises or elsewhere. The data for other unassisted units will be gathered from newspapers, Realtors, professional associations, inquiries of owners, market surveys, and other available sources.

The market areas for rent reasonableness are zip codes, census tracts and municipal boundaries within the PHA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area. The following items will be used for rent reasonableness documentation: size (number of bedrooms/square footage); location; quality; amenities (bathrooms, dishwasher, air conditioning, etc.); housing services; age of dwelling; dwelling type; maintenance; and utilities

Rent Reasonableness Methodology

The PHA maintains an automated database for use by staff in making rent reasonableness determinations. The automated system contains data on unassisted units and utilizes regression analysis to determine rent comparability. The data on comparable units is updated on an ongoing basis.

D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM [24 CFR 982.503]

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the PHA's discretion, the Voucher Payment Standard amount is set by the PHA between 90 percent and 110 percent of the HUD published FMR. This is considered the basic range. The PHA reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the PHA will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD.

The PHA will establish a single voucher payment standard amount for each FMR area in the PHA jurisdiction. For each FMR area, the PHA will establish payment standard amounts for each unit size. The PHA may have a higher payment standard within the PHA's jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of FMR range. The PHA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.

E. ADJUSTMENTS TO PAYMENT STANDARDS [24 CFR 982.503]

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The PHA will not raise Payment Standards solely to make "high end" units available to Voucher holders. The PHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

Assisted Families' Rent Burdens

The PHA will review its voucher payment standard amounts at least annually to determine whether more than 40 percent of families in a particular unit size are paying more than 30% of their annual adjusted income for rent.

The PHA may establish a separate voucher payment standard, within the basic range, for designated parts in its jurisdiction if it determines that a higher payment standard is needed in these designated areas to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low income.

Quality of Units Selected

The PHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

PHA Decision Point

The PHA will review the average percent of income that families on the program are paying for rent. If more than 40% of families are paying more than 30% of monthly adjusted income for a particular unit size, the PHA will determine whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the PHA in this Administrative Plan.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, the PHA may decline to increase the payment standard.

Rent to Owner Increases

The PHA may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

Time to Locate Housing

The PHA may consider the average time period for families to lease up under the Voucher program. If more than 50% of Voucher holders are unable to locate suitable housing within the term of the voucher and the PHA determines that this is due to 50% of rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

Lowering of the Payment Standard

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.

Financial Feasibility

Before increasing the Payment Standard, the PHA may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served. For this purpose, the PHA will compare the number of families who could be

served under a higher Payment Standard with the number assisted under current Payment Standards.

File Documentation

The PHA will retain a file for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

F. EXCEPTION PAYMENT STANDARDS

If the dwelling unit is located in an exception area, the PHA must use the appropriate payment standard amount established by the PHA for the exception area in accordance with regulation 24 CFR 982.503.

G. OWNER RENT INCREASE

The owner is required to notify the PHA, in writing, at least sixty days before any change in the amount of rent is scheduled to go into effect. Any requested change in rent to owner will be subjected to rent reasonableness requirements. See 24 CFR 982.503.

Chapter 12

RECERTIFICATIONS

INTRODUCTION

In accordance with HUD requirements, the PHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Re-certifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulation. It is a HUD requirement that families report all changes in household composition. This Chapter defines the PHA's policy for conducting annual re-certifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

There are three activities the PHA must conduct on an annual basis: recertification of income and family composition; HQS Inspection; and rent to owner adjustment (following HUD requirements) These activities may be coordinated.

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

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be re-certified at least annually.

Moves Between Reexaminations

When families move to another dwelling unit an annual recertification will not be scheduled and the anniversary date will not be changed.

Reexamination Notice to the Family

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

Completion of Annual Recertification

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

Collection of Information

The PHA has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate. The PHA representative will contact the family and review the information provided by the family on the recertification form. The head of household will be required to sign the recertification form.

Recertification Process

(Elimination of in person recertification interviews shall be effective with annual certifications with an effective date on or after September 1, 2010)

Annual certifications will ordinarily be conducted through the use of mail, email and telephone contact with the family. All families will be sent an annual certification form by mail or email which must be completed by the family, signed by the head of household and returned to the PHA by the deadline stated on the form. However, the PHA reserves the right to require a family to attend an in person interview when the PHA requires information from the family beyond that provided on the annual certification form. Persons with disabilities who are unable to complete the certification form will be granted an accommodation by conducting an interview by telephone or at the person's home, upon verification that the accommodation requested meets the need presented by the disability.

Failure to Respond to Notification to Recertify

The written notification must state the date by which the family must return the annual certification form to the PHA. If the family fails to return the certification form by the deadline, and has not made prior arrangements for an extension of the deadline, the PHA will send family a notice of termination and offer them an informal hearing

The Section 8 Supervisor may make exceptions to these policies if the family is able to document an emergency situation that prevented them from returning the certification form by the deadline or if requested as a reasonable accommodation for a person with a disability.

Documents Required From the Family

In the notification letter to the family, the PHA will include instructions for the family to bring to the interview documentation of all assets as well as documentation of any deductions/allowances

Verification of Information

The PHA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 120 days old.

Tenant Rent Increase

If tenant rent increases, a thirty day notice is mailed to the family prior to the scheduled effective date of the annual recertification. If less than thirty days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following the thirty day notice.

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

Tenant Rent Decreases

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

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

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

If any new family member is added, family income must include any income of the new family member. The PHA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

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

Increases in Income

Families will not be required to report an increase in an existing source or a new income source to the PHA between annual re-examinations.

Decreases in Income

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

PHA Errors

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

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

D. OTHER INTERIM REPORTING ISSUES

An interim re-examination does not affect the date of the annual recertification. An interim reexamination will be scheduled for families with zero income three times per year. At the PHA's discretion interim re-examinations may be conducted by mail.

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The PHA will not reduce the family share of rent for families whose welfare assistance is reduced specifically because of: fraud; or failure to participate in an economic self-sufficiency program; or noncompliance with a work activities requirement

However, the PHA will reduce the rent if the welfare assistance reduction is a result of: the expiration of a lifetime time limit on receiving benefits; or a situation where the family has complied with welfare program requirements but cannot or has not obtained employment

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

F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS

The Notice of Rent Change will be mailed or emailed to the owner and the tenant. Signatures are not required by the PHA. If the family disagrees with the rent adjustment, they may request an informal hearing.

G. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

Standard for Timely Reporting of Changes

The PHA requires that families report interim changes to the PHA within 30 days of when the change occurs. Any information, document or signature needed from the family that is needed to verify the change must be provided within 30 days of the change. If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures when the Change is Reported in a Timely Manner

The PHA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

Increases in the Tenant Rent are effective on the first of the month following at least thirty days' notice.

Decreases in the Tenant Rent are effective the first of the month following that in which the change is reported.

The change may be implemented based on documentation provided by the family, pending third-party written verification.

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

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

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

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

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

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

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

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

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

The Noncitizens rule was implemented prior to November 29, 1996, and "Mixed" families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria: the head of household or spouse is a U.S. citizen or has eligible immigrant status; AND all members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.

I. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

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

Chapter 13

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the PHA's jurisdiction, or to a unit outside of the PHA's jurisdiction under Portability procedures. The regulations also allow the PHA the discretion to develop policies that define any limitations or restrictions on moves. This Chapter defines the procedures for moves, both within and outside of, the PHA's jurisdiction, and the policies for restriction and limitations on moves.

A. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if:

The assisted lease for the old unit has terminated because the PHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated).

The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to owner).

B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]

Families generally will not be permitted to move within the PHA's jurisdiction during the initial year of assisted occupancy. Families will generally not be permitted to move outside the PHA's jurisdiction under portability procedures during the initial year of assisted occupancy. Families will not be permitted to move more than once in a 12-month period.

The PHA will deny permission to move if there is insufficient funding for continued assistance. The PHA may deny permission to move if: the family has violated a Family Obligation; the family owes the PHA money; the family has moved or been issued a Voucher within the last twelve months.

The Section 8 Supervisor may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

C. PROCEDURE FOR MOVES [24 CFR 982.314]

Move Briefing

A move briefing will be held for all participants prior to reissuance of a voucher. The requirement to attend the move briefing includes incoming and outgoing portable families.

Issuance of Voucher

Subject to the restrictions on moves, the PHA will issue the voucher to move. If the family does not locate a new unit, they may remain in the current unit so long as the owner permits. If the family locates a new unit, the annual recertification date will not be changed to coincide with the new lease-up date.

Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and the PHA proper written notice of any intent to move. The family must give the owner the required number of days written notice of intent to vacate specified in the lease and must give a copy to the PHA simultaneously.

Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance. In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease mid month. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves.

D. PORTABILITY [24 CFR 982.353]

Portability applies to families moving out of or into the PHA's jurisdiction within the United States and its territories.

E. OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the PHA's jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program. When a family requests to move outside of the PHA's jurisdiction, the request must specify the area to which the family wants to move.

Restrictions on Portability

After an applicant has leased-up in the jurisdiction of the initial housing agency, they generally

cannot exercise portability during the first year of assisted occupancy. After the first year the family may exercise portability unless: the family is in violation of a family obligation; the family owes money to the PHA or the family has moved out of its assisted unit in violation of the lease. In limited circumstances (such as to promote economic independence) and at the sole discretion of the PHA, the family may be allowed to exercise portability during the first year of assisted occupancy

F. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

Absorption or Administration

The PHA will accept a family with a valid Voucher from another jurisdiction and administer or absorb the Voucher. If administering, the family will be issued a "Portable" Voucher by the PHA. The term of the voucher will not expire before the expiration date of any initial PHA voucher. The family must submit a request for approval of tenancy for an eligible unit to the receiving PHA during the term of the receiving PHA voucher. The receiving PHA may grant extensions in accordance with this Administrative Plan. However, if the Family decides not to lease-up in the PHA's jurisdiction, they must contact the initial PHA to request an extension.

The PHA may absorb portable families provided that there is funding available. Subject to funding availability, the PHA will always absorb portable families from another jurisdiction with which this PHA has a reciprocal absorption agreement. The decision to absorb portable families from other jurisdictions shall be solely at the discretion of the PHA. When the PHA does not absorb the incoming Voucher, it will administer the Initial PHA's Voucher and the receiving PHA's policies will prevail.

For admission to the program a family must be income eligible in the area where the family initially leases a unit with assistance under the program. The receiving PHA does not re-determine eligibility for a portable family that was already receiving assistance in the initial PHA Section 8 tenant-based program.

The PHA will issue a "Portability Voucher" according to its own Subsidy Standards. If the Family has a change in family composition which would change the Voucher size, the PHA will change to the proper size based on its own Subsidy Standards.

Income and Total Tenant Payment of Incoming Portables [982.353(d)]

As receiving PHA, the PHA will not conduct a recertification interview and will only verify the information provided by the initiating PHA if there has been a change in the family's circumstances. The PHA will make every effort to expedite any required verifications so as not to cause a delay in the issuance of a voucher.

If the family's income is such that a zero subsidy amount is determined prior to lease-up in the PHA's jurisdiction, the PHA will refuse to enter into a contract on behalf of the family at zero assistance.

Requests for Approval of Tenancy

A briefing will be mandatory for all portability families. When the Family submits a Request for Tenancy Approval, it will be processed using the PHA's policies. If the Family does not submit a Request for Tenancy Approval or does not execute a lease, the Initial PHA will be notified within 60 days by the PHA. If the Family leases up successfully, the PHA will notify the Initial PHA within 30 days, and the billing process will commence. If the PHA denies assistance to the family, the PHA will notify the Initial PHA within 30 days and the family will be offered a review or hearing. The PHA will notify the Family of its responsibility to contact the Initial PHA if the Family wishes to move outside the PHA's jurisdiction under continued portability.

Regular Program Functions

The PHA will perform all program functions applicable the tenant-based assistance program, such as: annual reexaminations of family income and composition; annual inspection of the unit; and interim examinations when requested or deemed necessary by the PHA

Terminations

The PHA will notify the Initial PHA in writing of any termination of assistance within 30 days of the termination. If an Informal Hearing is required and requested by the Family, the hearing will be conducted by the PHA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the Initial PHA.

The Initial PHA will be responsible for collecting amounts owed by the Family for claims paid and for monitoring repayment. If the Initial PHA notifies the PHA that the Family is in arrears or the Family has refused to sign a Payment Agreement, the PHA will terminate assistance to the family.

Required Documents

As Receiving PHA, the PHA will require the documents listed on the HUD Portability Billing Form from the Initial PHA.

Billing Procedures

As Receiving PHA, the PHA will bill the Initial PHA monthly for Housing Assistance Payments. The billing cycle for other amounts, including Administrative Fees and Special Claims will be monthly unless requested otherwise by the Initial PHA. The PHA will bill 100% of the Housing Assistance Payment, 100% of Special Claims and 80% of the Administrative Fee (at the Initial PHA's rate) for each "Portability" Voucher leased as of the first day of the month. The PHA will notify the Initial PHA of changes in subsidy amounts and will expect the Initial PHA to notify the PHA of changes in the Administrative Fee amount to be billed.

Chapter 14

CONTRACT TERMINATIONS

INTRODUCTION

The Housing Assistance Payments (HAP) Contract is the contract between the owner and the PHA which defines the responsibilities of both parties. This Chapter describes the circumstances under which the contract can be terminated by the PHA and the owner, and the policies and procedures for such terminations.

A. CONTRACT TERMINATION

The term of the HAP Contract is the same as the term of the lease. The Contract between the owner and the PHA may be terminated by the PHA, or by the owner or tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the PHA to the owner after the month in which the Contract is terminated. The owner must reimburse the PHA for any subsidies paid by the PHA for any period after the contract termination date.

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

B. TERMINATION BY THE FAMILY: MOVES

Family termination of the lease must be in accordance with the terms of the lease.

C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS

If the owner wishes to terminate the lease, the owner is required under the lease, to provide proper notice as stated in the lease. During the term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations. During the term of the lease the owner may only evict for:

Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;

Violations of federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that

threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises.

Other good cause.

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant. The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

The PHA requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for the PHA’s decision regarding termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP Contract. If the owner has begun eviction and the family continues to reside in the unit, the PHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant. The PHA will continue housing assistance payments until the family moves or is evicted from the unit.

If the action is finalized in court, the owner must provide the PHA with the documentation, including notice of the lock-out date.

The PHA must continue making housing assistance payments to the owner in accordance with the Contract as long as the tenant continues to occupy the unit and the Contract is not violated. By endorsing the monthly check from the PHA, the owner certifies that the tenant is still in the unit, the rent is reasonable and s/he is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new voucher so that the family can move with continued assistance.

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

INTRODUCTION

The PHA may deny or terminate assistance for a family because of the family's action or failure to act. The PHA will provide families with a written description of the Family Obligations under the program, the grounds under which the PHA can deny or terminate assistance, and the PHA's informal hearing procedures. This Chapter describes when the PHA is required to deny or terminate assistance, and the PHA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

A. GROUNDS FOR DENIAL/TERMINATION

If denial or termination is based upon behavior resulting from a disability, the PHA will delay the denial or termination in order to determine if there is an accommodation, which would negate the behavior resulting from the disability.

Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following: denial for placement on the PHA waiting list; denying a voucher or withdrawing a voucher; refusing to enter into a HAP contract or approve a tenancy; refusing to process or provide assistance under portability procedures.

Termination of assistance for a participant may include any or all of the following: refusing to enter into a HAP contract or approve a tenancy; terminating housing assistance payments under an outstanding HAP contract; refusing to process or provide assistance under portability procedures

Mandatory Denial and Termination

The PHA must deny assistance to applicants, and terminate assistance for participants: if any member of the family fails to sign and submit HUD or PHA required consent forms for obtaining information; if no member of the family is a U.S. citizen or eligible immigrant; if the family is under contract and 180 days have elapsed since the PHA's last housing assistance payment was made.

The PHA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine in violation of any Federal or State law.

Grounds for Denial or Termination of Assistance

The PHA may deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

The family violates any family obligation under the program as listed in 24 CFR 982.551.

If any member of the family has been evicted from federally assisted housing for a serious violation of the lease within the past 5 years.

If any PHA has ever terminated assistance under the program for any member of the family.

If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

The family currently owes rent or other amounts to the PHA or to another PHA or other assisted housing provider in connection with Section 8 or public housing or other housing assistance under the 1937 Act.

The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family breaches an agreement with a PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA. The PHA at its discretion may offer the family the opportunity to enter into a repayment agreement. The PHA will prescribe the terms of the agreement. (See "Repayment Agreements" chapter.)

The family has engaged in or threatened abusive or violent behavior toward PHA personnel.

"Abusive or violent behavior towards PHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

Any member of the family whose drug or alcohol abuse interferes with the health, safety or peaceful enjoyment of other project residents. Crime by Family Member (See One Strike policy section below.)

If any member of the family commits drug-related criminal activity, or violent criminal activity. (See One-strike policy below)

Non-compliance with Non-Citizen Rule requirements; If the PHA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated, unless the ineligible individual has already been considered in prorating the family's assistance. Termination of tenancy for violation of this provision shall make the family ineligible for future housing assistance for a period of thirty-six (36) months.

Refer to "Eligibility for Admission" chapter, "Other Criteria for Admission" section for further information.

B. "ONE STRIKE" POLICY

Purpose

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the Lebanon County Housing Authority to fully endorse and implement a policy designed to help create and maintain a safe and drug-free community and to keep our program participants free from threats to their personal and family safety.

Administration

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability or other legally protected groups.

Screening of Applicants

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by the Notice 96-27, the PHA **will endeavor to screen applicants as thoroughly and fairly as possible for drug-related and violent criminal behavior**. Such screening will apply to any member of the household who is 18 years of age or older.

Standard for Violation

The PHA will deny participation in the program to applicants and terminate assistance to participants in cases where the PHA determines:

There is reasonable cause to believe that the person is illegally using a controlled substance or the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the PHA determines that there is a pattern of illegal use of a controlled substance or pattern of alcohol abuse. The PHA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous 12 months.

The person has engaged in or is engaging in violent criminal activity. Violent criminal activity means any act within the past five years by applicants or participants, household members, or guests which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person of another, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

The person has engaged or is engaging in drug related criminal activity. Drug related criminal activity means any act within the past five years by applicants or participants, household members, or guests which involve the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance, which did or did not result in the arrest/and or conviction of the applicant or participant, household members or guests.

Within the past five years the applicant, participant or a household member has been convicted of a criminal act that is defined under Federal, State or local laws as a felony.

Within the past five years the applicant, participant or a household member has been convicted of a criminal act (including a conviction for a misdemeanor) in which the victim was an individual under the age of 18 at the time the criminal act occurred.

Within the past five years the family has been evicted from Public Housing, Indian Housing, or any other subsidized housing program under the Housing Act of 1937 (as amended) because of drug-related criminal activity, violent criminal activity or commission of a felony.

That the applicant, participant or a household member is subject to a lifetime registration requirement under a State sex offender registration program.

The existence of the above-referenced behavior by any household member or guest, regardless of the applicant or participant's knowledge of the behavior, shall be grounds for denial or termination of assistance.

In evaluating evidence of negative past behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

In appropriate cases, the PHA may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the PHA may consider individual circumstances with the advice of Juvenile Court officials.

Notice of Termination of Assistance

In any case where the PHA decides to terminate assistance to the family, the PHA must give the family written notice which states: the reason(s) for the proposed termination; the effective date of the proposed termination; the family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance; the date by which a request for an informal hearing must be received by the PHA.

The PHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

The PHA will pursue fact-finding efforts as needed to obtain credible evidence.

Definition of Five Year Period

The terms “five year period” or “five years” shall mean five calendar years from the date of the prohibited behavior or five calendar years from the date of release from any period of incarceration imposed as a result of the prohibited behavior, whichever ever date is later.

Confidentiality of Criminal Records

The PHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated. In accordance with HUD regulations, a criminal record obtained through the Federal Bureau of Investigation will be destroyed once the purpose for which it was requested is accomplished. If destruction of a criminal record is necessary the PHA will document in the family’s file the circumstances of the criminal report and the date the report was destroyed. Misuse of the above information by any employee will be grounds for termination of employment.

C. VIOLENCE AGAINST WOMAN ACT

Background

The Violence Against Women and Justice Department Reauthorization Act of 2005 protects tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking from being evicted based on acts of such violence against them.

Requirements

In general, the law provides in part that criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the participant or an immediate member of the participant’s family is the victim or threatened victim of that abuse. The law also provides that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease by the victim or threatened victim of that violence and will not be “good cause” for termination of the assistance, tenancy, or occupancy rights of a victim of such violence.

Certification of Domestic Violence, Dating Violence or Stalking

Among other requirements, Sections 606 and 607 of VAWA add certification and confidentiality provisions that allow for PHA responding to an incident or incidents of actual or threatened domestic violence, dating violence or stalking that may affect a tenant’s participation in the housing program to request in writing that an individual complete, sign and submit, within 14 business days of the request, a HUD-approved certification form. On the form, the individual certifies that he/she is a victim of domestic violence, dating violence, or stalking, and that the incident or incidences in question are bona fide incidences of such actual or threatened abuse. On the certification form, the individual shall provide the name of the perpetrator.

In lieu of a certification form, or in addition to the certification form, a tenant may provide to PHA, (1) a Federal, State, tribal, territorial, or local police record or court record; (2) documentation signed and

attested to by an employee, agent or volunteer of a victim service provider, an attorney or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking, or the effects of abuse, in which the professional attests under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, or stalking has signed or attested to the documentation.

The Authority is not required to demand that an individual produce official documentation or physical proof of an individual's status as a victim of domestic violence, dating violence, sexual assault, or stalking in order to receive the protections of VAWA. Note that, The Authority, at their discretion, may provide assistance to an individual based solely upon the individual's statement or other corroborating evidence.

The Authority should be mindful that the delivery of the certification form to the tenant in response to an incident via mail may place the victim at risk, e.g., the abuser may monitor the mail. Therefore, the Authority may require that the tenant appear in person to pick up the certification form and are encouraged to work with tenants to make delivery arrangements that do not place the tenant at risk.

If the individual does not provide the form HUD - 50066 or the information that may be provided in lieu of the certification by the 14th business day or any extension of that date provided by the Authority, none of the protections afforded to the victim of domestic violence, dating violence or stalking by sections 606 or 607 will apply. The owner would therefore be free to evict and the Authority to terminate assistance, in the circumstances authorized by otherwise applicable law and lease provisions, without regard to the amendments made by Sections 606 and 607.

D. FAMILY OBLIGATIONS

The family must supply any information that the PHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. "Information" includes any requested certification, release or other documentation. The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information. All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice.

The family may not commit any serious or repeated violations of the lease.

The family must notify the owner and, at the same time, notify the PHA before the family moves out of the unit or terminates the lease upon notice to the owner.

The family must promptly give the PHA a copy of any owner eviction notice.

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The PHA must approve the composition of the assisted family residing in the unit. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. The family must

request PHA approval to add any other family member as an occupant of the unit.

The family must promptly notify the PHA if any family member no longer resides in the unit.

If the PHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or PHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.

The family must not sublease or let the unit.

The family must not assign the lease or transfer the unit.

The family must supply any information or certification requested by the PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA of absence from the unit.

The family must not own or have any interest in the unit.

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.

The members of the family may not engage in drug-related criminal activity or violent criminal activity. (See PHA one strike policy).

An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Authority Discretion

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the PHA has discretion to consider all of the circumstances in each case, including the seriousness of the case. The PHA will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The PHA may also review the family's more recent history and record of compliance, and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

The PHA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the action or failure to act, will not reside in the unit. The PHA may permit the other members of a family to continue in the program.

Enforcing Family Obligations

Explanations and Terms

The term "Promptly" when used with the Family Obligations always means "within 15 calendar days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach

The supervisor will determine if an HQS breach is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Section 8 Supervisor.

Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

If the owner terminates tenancy through court action for serious or repeated violation of the lease.

If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the PHA determines that the cause is a serious or repeated violation of the lease based on available evidence.

Nonpayment of rent is considered a serious violation of the lease.

Notification of Eviction

If the family requests assistance to move and they did not notify the PHA of an eviction within 15 calendar days of receiving the Notice of Lease Termination, the move will be denied.

Proposed Additions to the Family

The PHA will deny a family's request to add additional family members who are:

Persons who have been evicted from other subsidized housing.

Persons who have previously violated a family obligation listed in 24CFR 982.51 of the HUD regulations.

Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program.

Persons who commit drug-related criminal activity or violent criminal activity.

Persons who do not meet the PHA's definition of family.

Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

Persons who currently owe rent or other amounts to the PHA or to another PHA or other assisted housing provider in connection with Section 8 or public housing or other housing assistance under the 1937 Act.

Persons who have engaged in or threatened abusive or violent behavior toward PHA personnel.

Family Member Moves Out

Families are required to notify the PHA if any family member leaves the assisted household. When the family notifies the PHA, they must furnish the following information: the date the family member moved out; the new address, if known, of the family member; and a statement as to whether the family member is temporarily or permanently absent.

Limitation on Profit-making Activity in Unit

If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business that is not available for sleeping, it will be considered a violation. If the PHA determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation. If the PHA determines the business is not legal, it will be considered a program violation.

Interest in Unit

The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad under the Voucher Program.

E. PROCEDURES FOR NON-CITIZENS

Denial or Termination due to Ineligible Immigrant Status

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The PHA must offer the family an opportunity for a hearing. If the PHA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated, unless the ineligible individual has already been considered in prorating the family's assistance. Termination of assistance for violation of this provision shall make the family ineligible for future housing assistance for a period of thirty-six (36) months. Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

False or Incomplete Information

When the PHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the PHA will give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status. The PHA will then verify eligible status, deny, terminate, or prorate as applicable.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the PHA either after the INS appeal or in lieu of the INS appeal. After the PHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

F. ZERO (\$0) ASSISTANCE TENANCIES

The PHA has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180 day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the PHA will resume assistance payments for the family. In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

G. TERMINATION FOR MISREPRESENTATION

If the family has misrepresented any facts that caused the PHA to overpay assistance, the PHA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement.

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the PHA will deny or terminate assistance. In making this determination, the PHA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

H. MISSED APPOINTMENTS AND DEADLINES

It is a Family Obligation to supply information, documentation, and certification as needed for the PHA to fulfill its responsibilities. The PHA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family permit the PHA to inspect the unit, and appointments are made for this purpose.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan. Appointments will be scheduled and time requirements will be imposed for the following events and circumstances: eligibility for admissions; verification procedures; voucher issuance and briefings; Housing Quality Standards and inspections; recertifications; and appeals.

Acceptable reasons for missing appointments or failing to provide information by deadlines (with proper documentation) are: medical emergency; incarceration; or family emergency.

An applicant or participant who fails to keep an appointment, or to supply information required by a

deadline without notifying the PHA, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the PHA to inspect the unit. For most purposes in this Plan, the family will be given two opportunities before being issued a notice of termination or denial for breach of a family obligation. After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing the notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.

I. SUSPENSION DUE TO INSUFFICIENT FUNDING

The PHA monitors income and expenditure data for the Housing Choice Voucher Program on a monthly basis. If at any time the PHA determines that insufficient funding is available to meet Housing Assistance Payment obligations, the PHA will take action to ensure fiscal solvency of the Housing Choice Voucher Program. The Authority will take the following actions to balance anticipated voucher program expenditures with voucher program income:

1. Suspend Issuances of vouchers to applicants from the Section 8 Voucher Program waiting list.
2. Termination of vouchers previously issued to applicant, but not yet under an assistance contract.
3. Suspend assistance to current program participants.

In the event that the PHA must suspend assistance to current participants, such suspensions will be performed as follows:

The PHA will compile a list of all current program participants. This participant list shall be in descending order of date of admission into the program (that is the oldest date of admission shall appear first)

The PHA will review the participant list and will initially exclude from the list all participant families in which the Head of Household or Co Head of Household is elderly (defined as age 62 or older) or is disabled.

The PHA will then select non elderly/non disabled households from the participant list in order of program admission date, beginning with the participant with the oldest admission date.

The PHA will continue to select participants from the list until a sufficient number of participants are selected such that the sum of their monthly assistance payments is sufficient to reduce total monthly payments to an amount commensurate with program income.

In the event that there are not a sufficient number of non elderly/non disabled households available to reduce expenditures to the required level, then the PHA will select elderly/disabled households for suspension in the order of the household's program admission date (beginning with the oldest date of admission).

All participants selected for suspension as described in this section shall receive no less than 30 days written notification of the suspension of assistance. Such notice shall also be provided to the affected property owner.

Suspension of assistance under this section shall not be subject to the PHA's Grievance Policy and

any participant suspended solely due to lack of sufficient funding shall not be entitled to a hearing to contest the PHA's action.

Suspension of assistance to the participant under this section shall result in termination of the Housing Assistance Payment Contract with the property owner on the same date as assistance to the participant is suspended. The PHA shall have no obligation for any additional assistance payments to the property owner beyond the date of suspension of assistance.

4. Restoration of assistance

Any participant whose assistance is suspended due solely to lack of sufficient funding may be entitled to reinstatement of assistance. Reinstatement shall be available to any suspended participant who, as of the date of the reinstatement offer, is not already receiving another form of subsidized housing assistance. Such other subsidized housing assistance shall mean a housing program in which the participant is required to pay no more than 30% of their adjusted income for rent and utilities.

Assistance shall be reinstated in the same order in which assistance was originally suspended. However, reinstatement may be subject to termination of participation in the event the participant has engaged in an act or acts during the suspension period, which act or acts would have resulted in program termination had the assistance suspension not been in effect. For example if during the suspension period the participant engages in a criminal act which would have resulted in a termination action had assistance not been suspended. In the event of such a termination action, all requirements in this policy governing termination of program participant shall be in effect.

Reinstatement will include the execution of a new Housing Assistance Payment contract with the property owner. If at the time of reinstatement the new HAP contract is executed for the same dwelling occupied by the participant at the time of assistance suspension, the PHA shall have no obligation for assistance payments during the time period in which the suspension action was in effect.

When offered the opportunity for reinstatement, the affected participants will be subject to the procedures outline in this policy for new participants, including but not limited to: issuance of the voucher, time period for locating a dwelling, execution of the HAP contract, rent reasonableness and Housing Quality Standards.

In no event shall the PHA admit any new participant families from the waiting list nor absorb any incoming portable voucher holders until all eligible participants with suspended assistance have been offered the opportunity for reinstatement.

All suspended participants shall be notified in writing of the offer of reinstatement. Such written notice shall be sent to the last known mailing address provided by the participant. Failure of the participant to respond to the offer of reinstatement within 30 days shall be grounds for termination of assistance in accordance with the procedures for termination outlined in this Administrative Plan.

5. Preference of Public Housing

Any participant subject to suspension of assistance shall be eligible to receive a preference for admission into the PHA's Public Housing Program. Applications of participants who have previous active Public Housing applications shall be updated to reflect the suspension preference. Participants with suspended assistance who have not previously applied for the PHA's Public Housing program will be invited to submit an application at the time their Section 8 assistance is suspended. Admission into the Public Housing program for suspended participants will be subject to the same admission and eligibility requirements in effect for all other Public Housing applicants.

6. Multiple Suspension Events

In the event that the PHA must suspend assistance on more than one occasion, additional restrictions on suspension will take effect. In no case shall any participant be subject to a 2nd or subsequent suspension event until all participants have been subject to suspension.

7. Treatment of Suspended Participants During Suspension

Any participants with suspended assistance shall remain a current program participant. As such reinstatement of assistance shall not be considered a new program admission for purposes of the income targeting requirements outline in this Administrative Plan.

Chapter 16

OWNER DISAPPROVAL AND RESTRICTION

INTRODUCTION

It is the policy of the PHA to encourage owners to participate in the Voucher program. The PHA will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the PHA. The regulations define when the PHA must disallow an owner participation in the program, and they provide the PHA discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

A. DISAPPROVAL OF OWNER

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The PHA may disapprove the owner for the following reasons:

HUD or other agency directly related has informed the PHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

HUD has informed the PHA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.

HUD has informed the PHA that a court or administrative agency has determined that the has owner violated the Fair Housing Act or other federal equal opportunity requirements.

Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

In cases where the owner and tenant bear the same last name, the PHA may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.

The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.

The owner has engaged in drug-related criminal activity or any violent criminal activity.

The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.

The owner has a history or practice of renting units that fail to meet State or local housing codes.

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

Threatens the right to peaceful enjoyment of the premises by other residents;

Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing.

Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or

Is drug-related criminal activity or violent criminal activity;

The owner has not paid State or local real estate taxes, fines or assessments.

B. OWNER RESTRICTIONS AND PENALTIES

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the PHA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The PHA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the PHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

C. CHANGE IN OWNERSHIP

A change in ownership may require execution of a new contract and lease.

The PHA will process a change of ownership upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title, recorded deed and the Employee Identification or Social Security number of the new owner.

Chapter 17

OWNER OR FAMILY DEBTS TO THE PHA

INTRODUCTION

This Chapter describes the PHA's policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the PHA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the PHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to the PHA, the PHA will make every effort to collect it. The PHA will use a variety of collection tools to recover debts including, but not limited to: requests for lump sum payments; civil suits; payment agreements; abatements; reductions in HAP to owner; collection agencies; and credit bureaus

A. PAYMENT AGREEMENT FOR FAMILIES

A Payment Agreement as used in this Plan is a document entered into between the PHA and a person who owes a debt to the PHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.

The PHA will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to the PHA. There are some circumstances in which the PHA may not enter into a payment agreement. They are: if the family already has a Payment Agreement in place; if the PHA determines that the family committed program fraud; or if the PHA determines that the debt amount is larger than can be paid back by the family in 18 months.

Payment Agreements will be executed between the PHA and the head of household, co-head or spouse. The family will be required to pre-pay 10% of the amount owed prior to or upon execution of the Repayment Agreement. Repayment of the remaining balance shall be based on the total amount owed and the family's financial circumstances. However, in no case shall the monthly payment be less than \$25.00. The Repayment Agreement must be executed by the Executive Director or their designee.

The agreement will be in arrears when the PHA does not receive a payment within the first 5 business days of the month. The Payment Agreement will be considered to be in default when it is in arrears for 40 calendar days. If the agreement is deemed to be in default the family will be sent a termination of assistance notice. The family's assistance will be terminated unless the

PHA receives the balance of the Repayment Agreement in full within 15 calendar days of the termination notice.

Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Executive Director or their designee. No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the Payment Agreement is current: the HAP contract is terminated due to owner non-compliance or opt-out or a natural disaster

If the family already has a Payment Agreement in place and incurs an additional debt to the PHA the PHA will not enter into more than one Payment Agreement with the family. Additional amounts owed by the family may be added to the existing payment agreement.

B. DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP

Minimum rent arrears that are less than \$25.00 will be required to be paid in full the first month following the end of the minimum rent period. The minimum monthly amount for a repayment agreement incurred for minimum rent arrears is \$25.00 The PHA will not enter into a repayment agreement that will take more than twelve months to pay off.

C. OWNER DEBTS TO THE PHA

If the PHA determines that the owner has retained Housing Assistance or Claim Payments the owner is not entitled to, the PHA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract. If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the PHA will: require the owner to pay the amount in full within 30 days or enter into a Payment Agreement with the owner for the amount owed.

If the owner fails to make repayment or defaults on a payment agreement the PHA will pursue collections through collection agencies and/or credit bureaus and/or the local court system AND Restrict the owner from future participation.

D. WRITING OFF DEBTS

Debts will be written off if: the debtor's whereabouts are unknown and the debt is more than 2 years old; a determination is made that the debtor is judgment proof; the debtor is deceased; the debtor is confined to an institution indefinitely or for more than 2 years or the amount is less than \$250.00 and the debtor cannot be located.

Chapter 18

COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the PHA. This Chapter describes the policies, procedures and standards to be used when families disagree with a PHA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE PHA

The PHA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The PHA may require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone. Complaints will initially be forwarded to the Section 8 Supervisor. If the complaint cannot be resolved in will be referred to the Executive Director.

B. PREFERENCE DENIALS

When the PHA denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with the Section 8 Supervisor or designee to discuss the reasons for the denial and to dispute the PHA's decision.

C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

When the PHA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain: the reason(s) they are ineligible; the procedure for requesting a review if the applicant does not agree with the decision and the time limit for requesting a review.

The PHA must provide applicants with the opportunity for an Informal Review of decisions denying: listing on the PHA's waiting list; issuance of a Voucher; and participation in the program. Informal Reviews are not required for established policies and procedures and PHA determinations such as: discretionary administrative determinations by the PHA; general policy issues or class grievances; a determination of the family unit size under the PHA subsidy standards; refusal to extend or suspend a Voucher; a PHA determination not to grant approval of the tenancy; determination that unit is not in compliance with HQS; and determination that unit is not in accordance with HQS due to family size or composition

Procedure for Review

A request for an Informal Review must be received in writing by the close of the business day, no later than 14 calendar days from the date of the PHA's notification of denial of assistance. The informal review will be scheduled within 20 business days from the date the request is received.

Neither the person who made or approved the decision under review, nor a subordinate of such person may conduct the Informal Review. A member of the supervisor staff or an independent third party under contract with the Authority may conduct the review.

The applicant will be given the option of presenting oral or written objections to the decision. Both the PHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

As a reasonable accommodation to a person with disabilities the review may be conducted by mail and/or telephone if acceptable to both parties.

A Notice of the Review findings will be provided in writing to the applicant within 20 business days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision. All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

D. INFORMAL HEARING PROCEDURES

When the PHA makes a decision regarding continued eligibility and/or the amount of assistance, participants must be notified in writing. The PHA will give the family prompt notice of such determinations which will include: the proposed action or decision of the PHA; the date the proposed action or decision will take place; the family's right to an explanation of the basis for the PHA's decision; the procedures for requesting a hearing if the family disputes the action or decision; and the time limit for requesting the hearing. The family will be informed that any request for an informal hearing must be received in writing by the close of the business day, no later than 14 calendar days from the date of the PHA's notification.

The PHA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following PHA determinations:

Determination of the family's annual or adjusted income and the computation of the housing assistance payment;

Appropriate utility allowance used from schedule;

Family unit size determination under PHA subsidy standards;

Determination that premerger Certificate program family is under occupied in their current unit and a request for exception is denied;

Determination to terminate assistance for any reason.

Determination to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.

The PHA must always provided the opportunity for an informal hearing before termination of assistance.

Informal Hearings are not required for established policies and procedures and PHA determinations such as: discretionary administrative determinations by the PHA; general policy issues or class grievances; establishment of the PHA schedule of utility allowances for families in the program; a PHA determination not to approve an extension or suspension of a voucher term; a PHA determination not to approve a unit or lease; a PHA determination that an assisted unit is not in compliance with HQS (PHA must provide hearing for family breach of HQS because that is a family obligation determination); a PHA determination that the unit is not in accordance with HQS because of the family size; a PHA determination to exercise or not exercise any right or remedy against the owner under a HAP contract.

Notification of Hearing

It is the PHA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the PHA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the PHA receives a request for an informal hearing, a hearing shall be scheduled within 20 business days. The notification of hearing will contain: the date and time of the hearing; the location where the hearing will be held; the family's right to bring evidence, witnesses, legal or other representation at the family's expense; the right to view any documents or evidence in the possession of the PHA upon which the PHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. The PHA must receive requests by the family for any such documents or evidence no later than 5 business days before the hearing date.

The PHA may issue a written request to the family for copies of any documents or evidence that the family will use at the hearing. The PHA will make any such document no later than 5 business days before the hearing date.

The PHA's Hearing Procedures

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the PHA within 24 hours, excluding weekends and holidays. The PHA will reschedule the hearing only if the family can show good cause for the failure to appear.

Families have the right to: present written or oral objections to the PHA's determination; examine the documents in the file which are the basis for the PHA's action, and all documents submitted to the Hearing Officer; copy any relevant documents at their expense; present any information or witnesses pertinent to the issue of the hearing; request that PHA staff be available or present at the hearing to answer questions pertinent to the case; and be represented by legal counsel, advocate, or other designated representative at their own expense. In no case will the family be allowed to remove the file from the PHA's office.

In addition to other rights contained in this Chapter, the PHA has a right to: present evidence and any information pertinent to the issue of the hearing; be notified if the family intends to be represented by legal counsel, advocate, or another party; examine and copy any documents to be used by the family prior to the hearing; have its attorney present; and have staff persons and other witnesses familiar with the case present.

The Informal Hearing shall be conducted by the Hearing Officer appointed by the PHA who is neither the person who made or approved the decision, nor a subordinate of that person. A member of the supervisor staff or an independent third party under contract with the Authority may serve as Hearing Officer.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The Hearing Officer may ask the family for additional information and/or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the PHA shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of the PHA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the PHA and the family within 20 business days and shall include: a clear summary of the decision and reasons for the decision; if the decision involves money owed, the amount owed; the date the decision goes into effect.

The PHA is not bound by hearing decisions: which concern matters in which the PHA is not required to provide an opportunity for a hearing; which conflict with or contradict to HUD regulations or requirements; which conflict with or contradict Federal, State or local laws; or which exceed the authority of the person conducting the hearing.

The PHA shall send a letter to the participant if it determines the PHA is not bound by the Hearing Officer's determination within 20 business days. The letter shall include the PHA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal. Assistance to a family may not be terminated or denied while the PHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the PHA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the PHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.

The request for a PHA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the PHA will: deny the applicant family; defer termination if the family is a participant and qualifies for deferral; terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the PHA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES

When applicants are denied placement on the waiting list, or the PHA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

Examples of mitigating circumstances are:

A person with a cognitive disorder may not have understood the requirement to report increases in income;

A person may not understand the need to make regular repayments on a promissory note;

Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

Chapter 19

SPECIAL HOUSING TYPES

INTRODUCTION

The PHA will only permit the use of the housing types described in Chapter 9 in its program when not requested and needed as a reasonable accommodation for persons with disabilities. The PHA will not set aside any program funding for special housing types, or for a special housing type.

Verification of Need for Reasonable Accommodation

Acceptable documentation as verification of the need for reasonable accommodation would be a letter to the PHA describing how the special housing type requested provides the accommodation of which the person is in need. The request and documentation will be reviewed by the Executive Director and a written response stating approval or disapproval will be sent to the applicant/participant within 60 days of receipt of the request.

A copy of the PHA's response with supporting documentation will be maintained in the applicant/participant's file. The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982 Section M - Special Housing Types.

A. CONGREGATE HOUSING [24 CFR 982.606]

An elderly person or a person with disabilities may reside in a congregate housing unit.

The PHA may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Congregate Housing Lease and HAP Contract [24 CFR 982.607]

For congregate housing there will be a separate lease and HAP contract for each assisted family.

Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the PHA payment standard schedule.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

Housing Quality Standards

The PHA will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

B. GROUP HOMES [24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the PHA, a live-in aide may reside with a person with disabilities.

The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

The PHA will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

Group Home Lease and HAP Contract [24 CFR 982.611]

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any PHA-approved live-in Aide.

Group Home Rent and HAP Contract [24 CFR 982.613]

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the PHA will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

Maximum Subsidy

Unless there is a live-in aide, the family unit size is one bedroom. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the PHA payment standard schedule for the group home size.

Utility Allowance

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

Housing Quality Standards

The PHA will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

C. SHARED HOUSING [24 CFR 982.615]

Occupancy

An assisted family may reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The PHA may approve a live-in aide to reside with a family in order to care for a person with a disability. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the PHA. However, housing assistance may not be paid on behalf of an owner. The PHA will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

Rent and HAP Contract

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the guidelines set in the "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

Maximum Subsidy

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the PHA payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the PHA payment standard for the shared housing unit size.

If the PHA approves a live-in aide, the live-in aide will be counted in determining the family unit size.

Utility Allowance

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

Housing Quality Standards

The PHA will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

D. COOPERATIVE HOUSING [24 CFR 982.619]

The PHA will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The PHA will not approve assistance for a family in cooperative housing until the PHA has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" chapter. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperative's debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and

Payment Standards" chapter.

The PHA may approve a live-in aide to reside with the family to care for a person with disabilities. The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the PHA approves a live-in aide, the live-in aide will be counted when determining the family unit size.

Housing Quality Standards

The PHA will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

E. MANUFACTURED HOMES

The PHA will permit a family to lease a manufactured home and space with assistance under the program. The PHA will provide assistance for a family that owns the manufactured home and leases only the space.

The PHA may approve a live-in aide to reside with a family to care for a person with disabilities. The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If the PHA approves a live-in aide, the live-in aide must be counted when determining the family unit size.

Housing Quality Standards

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections" chapter. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage. A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

Manufactured Home Space Rental

Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space. Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

Reasonable Rent

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the PHA. The PHA will not approve a lease for a manufactured home space until the PHA has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the PHA will re-determine that the rent is reasonable.

The PHA will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The PHA will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the PHA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by the PHA, the owner must provide the PHA information on rents for other manufactured home space.

Housing Assistance Payments for Manufactured Home Space

There is a separate FMR for a family renting a manufactured home space. The payment standard is used to calculate the monthly housing assistance payment for a family. The FMR for rental of a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit.

During the term of a Voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of: The payment standard minus the total tenant payment; or the rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the PHA: rent to owner for the manufactured home space; owner maintenance and management charges for the space; the utility allowance for tenant paid utilities.

Utility Allowance Schedule for Manufactured Home Space Rental

The PHA will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move. Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place. Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

Chapter 20

PROGRAM INTEGRITY

INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

The PHA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained.

The PHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This Chapter outlines the PHA's policies for the prevention, detection and investigation of program abuse and fraud.

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the PHA undertake an inquiry or an audit of a participating family arbitrarily. The PHA's expectation is that participating families will comply with HUD requirements, provisions of the voucher, and other program rules. The PHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the PHA has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the PHA's attention, to investigate such claims.

The PHA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips. The PHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

Internal File Review. A follow-up will be made if PHA staff discovers (as a function of a certification or recertification, an interim re-determination, or a quality control review),

information or facts which conflict with previous file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

Verification of Documentation. A follow-up will be made if the PHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

The PHA management and staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

Program Orientation Session. Mandatory orientation sessions will be conducted by the PHA staff for all prospective program participants, either prior to or upon issuance of a voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

Resident Counseling. The PHA will routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

Review and explanation of Forms. Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

Use of Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse

C. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

The PHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent re-certifications, each participant file 5 % of files will be reviewed. Such reviews shall include, but are not limited to: assurance that verification of all income and deductions is present; changes in reported Social Security Numbers or dates of birth; authenticity of file documents; review of signatures for consistency with previously signed file documents; and verification that all forms are correctly dated and signed.

Observation. The PHA Management and Occupancy Staff (to include inspection personnel) will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

Public Record Bulletins may be reviewed by Management and Staff.

State Wage Data Record Keepers. Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

Credit Bureau Inquiries. Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances: at the time of final eligibility determination and/or when an allegation is received by the PHA wherein unreported income sources are disclosed.

D. THE HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

The PHA staff will encourage all participating families to report suspected abuse to the Authority. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The Authority will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

File Review. An internal file review will be conducted to determine if the subject of the allegation is a client of the PHA and, if so, to determine whether or not the information reported has been previously disclosed by the family.

It will then be determined if the PHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

Conclusion of Preliminary Review. If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the Occupancy Department will initiate an investigation to determine if the allegation is true or false.

E. OVERPAYMENTS TO OWNERS

If the landlord has been overpaid by the PHA or the family as a result of fraud, misrepresentation or violation of the Contract, the PHA may terminate the Contract and arrange for restitution to the PHA and/or family as appropriate.

The PHA will make every effort to recover any overpayments made as a result of landlord fraud or abuse. Payments otherwise due to the owner may be debited in order to repay the PHA or the

tenant, as applicable.

F. INVESTIGATING ALLEGATIONS OF ABUSE AND FRAUD

If the PHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the PHA will secure the written authorization from the program participant for the release of information.

Credit Bureau Inquiries. In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

Verification of Credit. In cases where the financial activity conflicts with file data, a *Verification of Credit* form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-Employers. Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.

Neighbors/Witnesses. Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the PHA's review.

Other Agencies. Investigators, case workers or representatives of other benefit agencies may be contacted.

Public Records. If relevant, the PHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

Interviews with Head of Household or Family Members. The PHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate PHA office. A high standard of courtesy and professionalism will be maintained by the PHA staff person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews.

G. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS

Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will either be kept in the participant's file, or in a separate "work file." In either case, the participant's file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among PHA Staff unless they are involved in the process, or have information which may assist in the investigation.

H. CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

I. EVALUATION OF THE FINDINGS

If it is determined that a program violation occurred, the PHA will review the facts to determine: the type of violation (procedural, non-compliance, fraud); whether the violation was intentional or unintentional; what amount of money (if any) is owed by the family; if the family is eligible for continued occupancy.

J. ACTION PROCEDURES FOR DOCUMENTED VIOLATIONS

Once a program violation has been documented, the PHA will propose the most appropriate remedy based upon the type and severity of the violation.

1. **Procedural Non-compliance.** This category applies when the family "fails to" observe a procedure or requirement of the PHA, but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family.

Examples of non-compliance violations are: failure to appear at a pre-scheduled appointment and/or failure to return verification in time period specified by the PHA.

- (a) **Warning Notice to the Family.** In such cases a notice will be sent to the family which contains the following: a description of the non-compliance and the procedure, policy or obligation which was violated; the date by which the violation must be corrected, or the procedure complied with; the action which will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA; the consequences of repeated (similar) violations.
2. **Procedural Non-compliance - Overpaid Assistance.** When the family owes money to the PHA for failure to report changes in income or assets, the PHA will issue a Notification of Overpayment of Assistance. This Notice will contain the following: a description of the violation and the date(s); any amounts owed to the PHA; a 14 business day response period; and the right to disagree and to request an informal hearing with instructions for the request of such hearing.
 - (a) Participant Fails to Comply with PHA's Notice. If the Participant fails to comply with the PHA's notice, and a family obligation has been violated, the PHA will initiate termination of assistance.
 - (b) Participant Complies with PHA's Notice. When a family complies with the PHA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated. The staff person will

complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

- 3. Intentional Misrepresentations.** When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the PHA, the PHA will evaluate whether or not: the participant had knowledge that his/her actions were wrong, and the participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certification, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.

The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) An admission by the participant of the misrepresentation.
- (b) That the act was done repeatedly.
- (c) If a false name or Social Security Number was used.
- (d) If there were admissions to others of the illegal action or omission.
- (e) That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
- (f) That the participant falsified, forged or altered documents.
- (g) That the participant uttered and certified to statements at a interim (re)determination which were later independently verified to be false.

- 4. Dispositions of Cases Involving Misrepresentations.** In all cases of misrepresentations involving efforts to recover monies owed, the PHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- (a) Criminal Prosecution: If the PHA established criminal intent, and the case meets the criteria for prosecution, the PHA will refer the case to the local State or District Attorney, notify HUD's OIG, and terminate rental assistance.

- (b) Administrative Remedies: The PHA may:

Terminate assistance and demand payment of restitution in full or;

Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the PHA's repayment policy.

GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

ACC	Annual Contributions Contract
BR	Bedroom
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations. Commonly referred to as "the regulations". The CFR is the compilation of Federal rules which are first published in the Federal Register and define and implement a statute.
CPI	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
ELI	Extremely low income
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act - Social Security taxes
FmHA	Farmers Home Administration
FMR	Fair Market Rent
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
GFC	Gross Family Contribution. Note: Has been replaced by Total Tenant Payment
GR	Gross Rent
HAP	Housing Assistance Payment
HAP Plan	Housing Assistance Plan
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	The Department of Housing and Urban Development or its designee.
HURRA	Housing and Urban/Rural Recovery Act of 1983; resulted in most of the 1984 HUD regulation changes to definition of income, allowances, rent calculations
IG	Inspector General
IGR	Independent Group Residence

IPA	Independent Public Accountant
IRA	Individual Retirement Account
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
PHA	Public Housing Agency
PMSA	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
PS	Payment Standard
QC	Quality Control
RFAT	Request for Approval of Tenancy
RFP	Request for Proposals
RRP	Rental Rehabilitation Program
SRO	Single Room Occupancy
SSMA	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
URP	Utility Reimbursement Payment

B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING

ADMINISTRATIVE PLAN. The HUD required written policy of the PHA governing its administration of the Section 8 Certificate and Voucher program. The Administrative Plan and any revisions must be approved by the PHA's board and a copy submitted to HUD.

ABSORPTION. In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE"). Account established by HUD from amounts by which the maximum payment to the PHA under the consolidated ACC (during a PHA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

ADJUSTED INCOME. Annual income, less allowable HUD deductions.

ADMINISTRATIVE FEE. Fee paid by HUD to the PHA for administration of the program.

ADMINISTRATIVE FEE RESERVE (Formerly "Operating reserve"). Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

ADMISSION. The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ANNUAL BUDGET AUTHORITY. The maximum annual payment by HUD to a PHA for a funding increment.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written contract between HUD and a PHA. Under the contract HUD agrees to provide funding for operation of the program, and the PHA agrees to comply with HUD requirements for the program

ANNUAL INCOME. The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

APPLICANT. (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

AREA EXCEPTION RENT. Rent based on a HUD- approved payment standard amount that is higher than the basic range for a designated part of the fair market rent area ("exception area").

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

ASSISTED TENANT. A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

BUDGET AUTHORITY. An amount authorized and appropriated by the Congress for payment to HAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

CHILD CARE EXPENSES. Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

CO-HEAD. An individual in the household who is equally responsible for the lease with the Head of Household. (A family never has a Co-head and a Spouse and; a Co-head is never a Dependent).

CONGREGATE HOUSING. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing

COOPERATIVE. A dwelling unit owned and or shared by a group of individuals who have individual sleeping quarters and share common facilities such as kitchen, living room and some bathrooms.

CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT. (Consolidated ACC). See 24 CFR 982.151.

CONTIGUOUS MSA. In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

CONTINUOUSLY ASSISTED. An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the certificate or voucher program.

CONTRACT. (See Housing Assistance Payments Contract.)

DEPENDENT. A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or over.

DISABILITY ASSISTANCE EXPENSE. Anticipated costs for care attendants and auxiliary apparatus for disabled family members which enable a family member (including the disabled family member) to work.

DISABLED PERSON. A person who is any of the following:

A person who has a disability as defined in section 223 of the Social Security Act. (42 U.S.C.423).

A person who has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that ability to live independently could be improved by more suitable housing conditions.

A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

DISABLED FAMILY. A family where the head or spouse meet any of the above criteria for disabled person.

DISPLACED PERSON/FAMILY. A person or family displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under federal disaster relief laws.

DOMICILE. The legal residence of the household head or spouse as determined in accordance with State and local law.

DRUG-RELATED CRIMINAL ACTIVITY. The illegal manufacture, sale, distribution, use, or the possession with intent to manufacture, sell distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802)).

DRUG TRAFFICKING. The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

ELDERLY HOUSEHOLD. A family whose head or spouse or whose sole member is at least 62 years of age; may include two or more elderly persons living together or one or more such persons living with another person who is determined to be essential to his/her care and wellbeing.

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBILITY INCOME. May 10, 1984, regulations deleted Eligibility Income, per se, because Annual Income is now for eligibility determination to compare to income limits.

ELIGIBLE FAMILY (Family). A family is defined by the PHA in the administrative Plan, which is approved by HUD.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES. Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the Annual Income. It is no longer used.

EXCEPTION RENT. In the pre-merger certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. See Area Exception rent

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly or disabled families only in excess of 3% of Annual Income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

FAIR MARKET RENT (FMR). The rent including the cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the *Federal Register*.

FAMILY. "Family" includes but is not limited to:

An Elderly Family or Single Person as defined in 24 CFR 5.403(b),

The remaining member of a tenant family, and

A Displaced Person

FAMILY OF VETERAN OR SERVICE PERSON. A family is a "family of veteran or service person" when:

The veteran or service person (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.

The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless s/he was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is

permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FAMILY SHARE. The amount calculated by subtracting the housing assistance payment from the gross rent.

FAMILY UNIT SIZE. The size of the Certificate or Voucher issued to the family based on the PHA's subsidy standards.

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is attending school or vocational training on a full-time basis.

FUNDING INCREMENT. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

GROSS FAMILY CONTRIBUTION. Changed to Total Tenant Payment.

GROSS RENT. The sum of the Rent to Owner and the utility allowance. If there is no utility allowance, Rent to Owner equals Gross Rent.

GROUP HOME. A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

HAP CONTRACT. (See Housing Assistance Payments contract.)

HEAD OF HOUSEHOLD. The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AGENCY. A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "IHA" mean the same thing.)

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PAYMENT. The monthly assistance payment by a PHA. The total assistance payment consists of:

A payment to the owner for rent to owner under the family's lease.

An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement" payment.

HOUSING ASSISTANCE PAYMENTS CONTRACT. (HAP contract). A written contract between a PHA and an owner in the form prescribed by HUD headquarters, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING ASSISTANCE PLAN. (1) A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. (2) A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the tenant-based programs.

HUD REQUIREMENTS. HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

IMPUTED ASSET. Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

IMPUTED INCOME. HUD passbook rate x total cash value of assets. Calculation used when assets exceed \$5,000.

INITIAL PHA. In portability, the term refers to both:

A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and

A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

INITIAL PAYMENT STANDARD. The payment standard at the beginning of the HAP contract term.

INITIAL RENT TO OWNER. The rent to owner at the beginning of the HAP contract term.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME FOR ELIGIBILITY. Annual Income.

INDIAN. Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either:

By exercise of the power of self-government of an Indian Tribe, independent of State law,
or

By operation of State law providing specifically for housing authorities for Indians.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

JURISDICTION. The area in which the PHA has authority under State and local law to administer the program.

LANDLORD. This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

LARGE VERY LOW INCOME FAMILY. Prior to the 1982 regulations, this meant a very low income family which included six or more minors. This term is no longer used.

LEASE. A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA. In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA.

LEASE ADDENDUM. See Tenancy Addendum

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

Is determined to be essential to the care and well-being of the person.

Is not obligated for the support of the person.

Would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the PHA to select among applicant families without regard to their federal preference status.

LOW-INCOME FAMILY. A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

MANUFACTURED HOME. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type. See 24 CFR 982.620 and 982.621.

MANUFACTURED HOME SPACE. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

MEDICAL EXPENSES. Those total medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. A deduction for Elderly Households only. These allowances are given when calculating adjusted income for medical expenses in excess of 3% of Annual Income.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MIXED FAMILY. A family with citizens and eligible immigration status and without citizens and eligible immigration status as defined in 24 CFR 5.504(b)(3)

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances or Adjusted Income.

MONTHLY INCOME. 1/12 of the Annual Income.

NATIONAL. A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

NEGATIVE RENT. Now called Utility Reimbursement. A negative Tenant Rent results in a Utility Reimbursement Payment (URP).

NET FAMILY ASSETS. Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

NET FAMILY CONTRIBUTION. Former name for Tenant Rent.

NON CITIZEN. A person who is neither a citizen nor a national of the United States.

OCCUPANCY STANDARDS. [Now referred to as **Subsidy Standards**] Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

OWNER. Any persons or entity having the legal right to lease or sublease a unit to a participant.

PARTICIPANT. A family that has been admitted to the PHA's certificate program or voucher program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (First day of initial lease term).

PAYMENT STANDARD. The maximum subsidy payment for a family (before deducting the family contribution). The PHA sets a payment standard in the range from 90 to 110 percent of the current FMR/exception rent limit.

PERSONS WITH DISABILITIES. Individuals with any condition or characteristic that renders a person an individual with a handicap as defined in 24 CFR 8.2.

PHA PLAN. The annual plan and the 5-year plan as adopted by the PHA and approved by HUD in accordance with part 903 of this chapter.

PORTABILITY. Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA

PREMISES. The building or complex in which the dwelling unit is located, including common areas and grounds.

PRIVATE SPACE. In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

PROGRAM. The Section 8 tenant-based assistance program under this part.

PROGRAM RECEIPTS. HUD payments to the PHA under the consolidated ACC, and any other amounts received by the PHA in connection with the program.

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA). PHA includes any State, county, municipality or other governmental entity or public body which is authorized to administer the program (or an agency or instrumentality of such an entity), or any of the following:

A consortia of housing agencies, each of which meets the qualifications in paragraph (1) of this definition, that HUD determines has the capacity and capability to efficiently administer the program (in which case, HUD may enter into a consolidated ACC with any legal entity authorized to act as the legal representative of the consortia members):

Any other public or private non-profit entity that was administering a Section 8 tenant-based assistance program pursuant to a contract with the contract administrator of such program (HUD or a PHA) on October 21, 1998; or

For any area outside the jurisdiction of a PHA that is administering a tenant-based program, or where HUD determines that such PHA is not administering the program effectively, a private non-profit entity or a governmental entity or public body that would otherwise lack jurisdiction to administer the program in such area.

REASONABLE RENT. A rent to owner that is not more than rent charged for comparable units in the private unassisted market, and not more than the rent charged for comparable unassisted units in the premises.

RECEIVING PHA. In portability: An PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a certificate or voucher and provides program assistance to the family.

RECERTIFICATION. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported. There are annual and interim recertifications.

REGULAR TENANCY. In the pre-merger Certificate program: A tenancy other than an over-FMR tenancy.

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RENT TO OWNER. The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

RESIDENCY PREFERENCE. A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (“residency preference area”).

RESIDENCY PREFERENCE AREA. The specified area where families must reside to qualify for a residency preference.

RESIDENT ASSISTANT. A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, handicapped, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or wellbeing. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his/her income or resources towards the expenses of these individuals.

RESPONSIBLE ENTITY. For the public housing and Section 8 tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. A dollar amount which can be applied to unpaid rent, damages or other amounts to the owner under the lease.

SERVICE PERSON. A person in the active military or naval service (including the active reserve) of the United States.

SINGLE PERSON. A person living alone or intending to live alone.

SPECIAL ADMISSION. Admission of an applicant that is not on the PHA waiting list or without considering the applicant’s waiting list position.

SPECIAL HOUSING TYPES. See Subpart M of 24 CFR 982, which states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

SPOUSE. The husband or wife of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or

Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or

Direct loans pursuant to Section 202 of the Housing Act of 1959; or

Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;

A Public Housing Project.

SUBSIDY STANDARDS. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

SUBSTANDARD UNIT. Substandard housing is defined by HUD for use as a federal preference.

SUSPENSION/TOLLING. Stopping the clock on the term of a family's certificate or voucher, for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request. If the PHA decides to allow extensions or suspensions of the voucher term, the PHA administrative plan must describe how the PHA determines whether to grant extensions or suspensions, and how the PHA determines the length of any extension or suspension.

TENANCY ADDENDUM. In the lease between the tenant and the owner, the lease language required by HUD.

TENANT. The person or persons (other than a live-in-aide) who executes the lease as lessee of the dwelling unit.

TENANT RENT. The amount payable monthly by the family as rent to the unit owner (Section 8 owner or PHA in public housing).

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UNIT. Residential space for the private use of a family.

UNUSUAL EXPENSES. Prior to the change in the 1982 regulations, this was the term applied to the amounts paid by the family for the care of minors under 13 years of age or for the care of disabled or handicapped family household members, but only where such care was necessary to enable a family member to be gainfully employed.

UTILITIES. Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

UTILITY ALLOWANCE. If the cost of utilities (except telephone) including range and refrigerator, and other housing services for an assisted unit is not included in the Contract Rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of a reasonable consumption of such utilities and other services for the unit by an energy conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthy living environment.

UTILITY REIMBURSEMENT PAYMENT. The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

VERY LARGE LOWER-INCOME FAMILY. Prior to the change in the 1982 regulations this was described as a lower-income family which included eight or more minors. This term is no longer used.

VERY LOW INCOME FAMILY. A Lower-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the Certificate and Voucher Programs.

VETERAN. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

VIOLENT CRIMINAL ACTIVITY. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

VOUCHER HOLDER. A family holding a voucher with an unexpired term (search time).

VOUCHER PROGRAM. The Housing Choice Voucher program.

WAITING LIST ADMISSION. An admission from the PHA waiting list.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy who are waiting for subsidy to become available.

WELFARE ASSISTANCE. Income assistance from Federal or State welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families.

WELFARE RENT. This concept is used ONLY for pre-merger Certificate tenants who receive welfare assistance on an "AS-PAID" basis. It is not used for the Housing Voucher Program.

If the agency does NOT apply a ratable reduction, this is the maximum a public assistance agency COULD give a family for shelter and utilities, NOT the amount the family is receiving at the time the certification or recertification is being processed.

If the agency applies a ratable reduction, welfare rent is a percentage of the maximum the agency could allow.

C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

CHILD. A member of the family other than the family head or spouse who is under 18 years of age.

CITIZEN. A citizen or national of the United States.

EVIDENCE. Evidence of citizenship or eligible immigration status means the documents which must be submitted to evidence citizenship or eligible immigration status.

PHA. A housing authority- either a public housing agency or an Indian housing authority or both.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

MIXED FAMILY. A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

NATIONAL. A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

NONCITIZEN. A person who is neither a citizen nor nation of the United States.

PHA. A housing authority who operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

SECTION 214. Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

**Section 8 Administrative Plan – List of Modifications
January 2011**

Cover

Updated to reflect revision 1.7 to the plan

Table of Contents

Updated to reflect repagination of some sections

Chapter 3 Applying for Admission

Section D – EIV System

Renumber the existing Section D to Section E and the existing Section E to Section F. Insert a new Section D as follows:

D. EIV SYSTEM

For each prospective tenant, the PHA shall at the time of the eligibility interview print and maintain on file a copy of the EIV Existing Tenant Search results.

If the applicant or members of applicant’s household are identified by EIV as currently being assisted at or owes a debt to, another Multifamily Housing or Public and Indian Housing (PIH) location, the PHA shall discuss these findings with the appropriate member(s) of applicant household and provide the opportunity to explain the circumstances relative to being assisted at, or owing a debt to, another housing provider.

The PHA shall follow up with the respective housing provider to confirm the applicant’s program participation status or debt owed before admission. If necessary the PHA will coordinate move-in/move-out dates with the other housing provided at the other location.

The PHA shall retain Existing Tenant Search results, as well as any related additional documentation, with the application.

Reason for Changes – To include new HUD requirements concerning use of the previous tenant report in the EIV System.

Chapter 4 Establishing preferences and Maintaining the Waiting List

Section E – Local Preferences

Delete the section in its entirety and insert the following:

The PHA uses the following Local Preference system:

1. Residency preference for families who live, work, or have been hired to work or who are attending school in the jurisdiction. This preference shall be worth one (47) points.
2. Families who are currently participating in a transitional housing program which receives funding through McKinney-Vento, HOME or the Commonwealth of Pennsylvania shall be worth five (20) points.
3. Families which require adaptive or accessible housing due to a physical impairment. This preference shall be worth ten (25) points.

Points awarded for the above listed preferences shall be cumulative as shown in Table 1.

Table One
Preference Matrix - Section 8 Voucher Program

Adapted Dwelling Preference	Transitional Housing Preference	Lebanon County Residence Preference	Total Points
25	20	47	92
25		47	72
	20	47	67
		47	47
25	20		45
25			25
	20		20

Single applicants will be treated as any other eligible family on the waiting list.

NOTE: New applications received by the Authority on or after midnight, May 1, 2009, shall be eligible to claim preference number two (2) described above. Applicants who are active on the Section 8 waiting list as of 11:59 PM, April 30, 2009 shall maintain any preference points previously awarded (subject to all eligibility criteria contained in this Administrative Policy).

Reason for Change – Clarify relative point value of preferences to reflect sorting of waiting list.

Chapter 15 Denial or Termination of Assistance

Section I – Suspension Due To Insufficient Funding Page 15-10 Insert new section as follows:

I. SUSPENSION DUE TO INSUFFICIENT FUNDING

The PHA monitors income and expenditure data for the Housing Choice Voucher Program on a monthly basis. If at any time the PHA determines that insufficient funding is available to meet Housing Assistance Payment obligations, the PHA will take action to ensure fiscal solvency of the Housing Choice Voucher Program. The Authority will take the following actions to balance anticipated voucher program expenditures with voucher program income:

1. Suspend Issuances of vouchers to applicants from the Section 8 Voucher Program waiting list.
2. Termination of vouchers previously issued to applicant, but not yet under an assistance contract.
3. Suspend assistance to current program participants.

In the event that the PHA must suspend assistance to current participants, such suspensions will be performed as follows:

The PHA will compile a list of all current program participants. This participant list shall be in descending order of date of admission into the program (that is the oldest date of admission shall appear first)

The PHA will review the participant list and will initially exclude from the list all participant families in which the Head of Household or Co Head of Household is elderly (defined as age 62 or older) or is disabled.

The PHA will then select non elderly/non disabled households from the participant list in order of program admission date, beginning with the participant with the oldest admission date.

The PHA will continue to select participants from the list until a sufficient number of participants are selected such that the sum of their monthly assistance payments is sufficient to reduce total monthly payments to an amount commensurate with program income.

In the event that there are not a sufficient number of non elderly/non disabled households available to reduce expenditures to the required level, then the PHA will select elderly/disabled households for suspension in the order of the household's program admission date (beginning with the oldest date of admission).

All participants selected for suspension as described in this section shall receive no less than 30 days written notification of the suspension of assistance. Such notice shall also be provided to the affected property owner.

Suspension of assistance under this section shall not be subject to the PHA's Grievance Policy and any participant suspended solely due to lack of sufficient funding shall not be entitled to a hearing to contest the PHA's action.

Suspension of assistance to the participant under this section shall result in termination of the Housing Assistance Payment Contract with the property owner on the same date as assistance to the participant is suspended. The PHA shall have no obligation for any additional assistance payments to the property owner beyond the date of suspension of assistance.

4. Restoration of assistance

Any participant whose assistance is suspended due solely to lack of sufficient funding may be entitled to reinstatement of assistance. Reinstatement shall be available to any suspended participant who, as of the date of the reinstatement offer, is not already receiving another form of subsidized housing assistance. Such other subsidized housing assistance shall mean a housing program in which the participant is required to pay no more than 30% of their adjusted income for rent and utilities.

Assistance shall be reinstated in the same order in which assistance was originally suspended. However, reinstatement may be subject to termination of participation in the event the participant has engaged in an act or acts during the suspension period, which act or acts would have resulted in program termination had the assistance suspension not been in effect. For example if during the suspension period the participant engages in a criminal act which would have resulted in a termination action had assistance not been suspended. In the event of such a termination action, all requirements in this policy governing termination of program participant shall be in effect.

Reinstatement will include the execution of a new Housing Assistance Payment contract with the property owner. If at the time of reinstatement the new HAP contract is executed for the same dwelling occupied by the participant at the time of assistance suspension, the PHA shall have no obligation for assistance payments during the time period in which the suspension action was in effect.

When offered the opportunity for reinstatement, the affected participants will be subject to the procedures outlined in this policy for new participants, including but not limited to: issuance of the voucher, time period for locating a dwelling, execution of the HAP contract, rent reasonableness and Housing Quality Standards.

In no event shall the PHA admit any new participant families from the waiting list nor absorb any incoming portable voucher holders until all eligible participants with suspended assistance have been offered the opportunity for reinstatement.

All suspended participants shall be notified in writing of the offer of reinstatement. Such written notice shall be sent to the last known mailing address provided by the participant. Failure of the participant to respond to the offer of reinstatement within 30 days shall be grounds for termination of assistance in accordance with the procedures for termination outlined in this Administrative Plan.

5. Preference of Public Housing

Any participant subject to suspension of assistance shall be eligible to receive a preference for admission into the PHA's Public Housing Program. Applications of participants who have previous active Public Housing applications shall be updated to reflect the suspension preference. Participants with suspended assistance who have not previously applied for the PHA's Public Housing program will be invited to submit an application at the time their Section 8 assistance is suspended. Admission into the Public Housing program for suspended participants will be subject to the same admission and eligibility requirements in effect for all other Public Housing applicants.

6. Multiple Suspension Events

In the event that the PHA must suspend assistance on more than one occasion, additional restrictions on suspension will take effect. In no case shall any participant be subject to a 2nd or subsequent suspension event until all participants have been subject to suspension.

7. Treatment of Suspended Participants During Suspension

Any participants with suspended assistance shall remain a current program participant. As such reinstatement of assistance shall not be considered a new program admission for purposes of the income targeting requirements outline in this Administrative Plan.

Reason for Change – Describe procedures to deal with reduction of HAP costs due to insufficient funding.