

## Section 21.0 RECERTIFICATIONS

### **21.01 Interim Recertifications**

Families are required to report **all** changes in income and family composition to the LA within two weeks of the date of such change. Families that report a change in income or family composition will be advised by the LA to forward written documentation. During an interim reexamination only information affected by the changes being reported will be reviewed and verified.

Upon receiving any requested documentation from the family, the LA will either process at the next annual recertification or conduct an interim recertification in the following circumstances **only**:

- Recertifications requested by a participant which result in a decrease in tenant rent;
- Recertifications due to an increase in yearly household income which would result in a monthly increase in participant rent share; or
- Recertifications that are a result of a change in family/household composition or that result in either an increase or decrease in the tenant rent as described above.

In order to add a household member (other than through birth or adoption), including a live-in aide or a room-mate, the family must request that the new member be added to the lease. The new household member must first be approved by the landlord. Before adding the new member to the lease, the individual and participant head of household must undergo a recertification and document the income, assets, and all other information normally required of applicants and participants.

The individual to be added to the household must also provide his/her Social Security number (if he/she has one) and must verify his/her citizenship/eligible immigrant status.

The family's revised annual income will be recalculated taking into account the income and circumstances of the new family member.

**NOTE:** Housing assistance will only be delayed if caused by family action or inaction.

### **21.02 Effective Date of Changes for Interim Recertifications**

The LA will give 30 day-notice of any rent increase to the family. If notice of an increase in rent is delayed due to a reason beyond the control of the family, the rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. If a participant family has caused the delay, the increase will be effective on the date the LA would have been otherwise able to issue the notice if the family had not caused the delay.

Reductions in participant's rent share will be processed as follows:

- a) If a participant submits required documentation of the decrease in income within 10 business days of the date the change occurred, the change in participant rent share will be effective the first of the month following the date the income change occurred.

In cases where required documentation is submitted within 10 business days of the decrease in income but the LA has already submitted their payment schedule for that month, the LA will retroactively reduce the participant rent share effective the first of the month following the date the income change occurred.

- b) If a participant does not submit required documentation of the decrease in income within 10 business days of the date the change occurred, the change in participant rent share will be effective the first of the month following the date the decrease in income is received by the LA.

### **21.03 Annual Recertifications**

Except as an identified household in 21.03.01, an annual recertification must be completed for each Section 8 family. The recertification must be completed on or prior to the date of the previous year's recertification.

The information used for reexamination must be current (within 120 days) of the effective date of the recertification. The family should be given a minimum of 90 days, but not more than 120 days, written notice prior to the anniversary date of the recertification.

The LA may require the participant(s) to visit the Section 8 office for the purpose of conducting the recertification. However, as a reasonable accommodation, the LA **may** conduct a home visit for the purpose of completing the annual recertification, if the participant is homebound and/or disabled.

The initial recertification notice must inform the family of the required documents and the deadline (or the date to appear in the Section 8 office for the reexamination) for submitting all required documents and requested information.

If the family fails to respond to the initial/first notice, a second notice must be sent to the family informing them that they have failed to submit the required information for recertification. A second request must be sent to the family. If the family does not respond to the second request by the deadline indicated by the LA, the LA will send the participant and landlord a notice that the LA intends to terminate assistance, and the LA will include copies of the first and second requests.

If the family fails to respond to the second notice a termination notice must be mailed to the family. A letter must also be sent to the owner informing him/her on the participant's termination from the program. The letter must state the date of the final Housing Assistance

Payment. In addition, the letter must advise the owner that the tenant will be responsible for the total contract rent upon termination of the HAP contract.

### ***21.03.01 Triennial Recertifications for Fixed Income Households***

Effective March 12, 2018, HUD implemented the Streamlining Administration Regulations Interim Final Rule (or FAST Act) on how a PHA may elect to calculate income from fixed sources every three years.

Implementation is voluntary. Notification to HCR, however, is required by any LA prior to establishing and/or terminating implementation of the streamlining process.

Under this interim final rule, there are two scenarios:

- 1) if 90% or more of a family's total household income is derived from fixed income sources, the first year a full income review must be conducted. If the source of the family's total household income remains *at or above 90%* fixed, during the next two years the LA may determine **all** of the family's household income by using a verified COLA or rate of interest on the individual sources of fixed income.
- 2) For families with at least one source of fixed income, but for which *less than 90 percent* of the family's income is from fixed sources, the LA may follow the procedure noted above to calculate **only** the fixed income source(s) but must still verify and adjust any and all non-fixed sources annually.

In either case, an LA voluntarily implementing this rule must still undertake a full recertification every 3 years. Implementation of this streamlining does not waive the requirement to obtain a family's certification and verify all the information submitted for income verification, including the sources of income, is accurate. All files associated with the streamlining option must be documented accordingly.

Per HUD PIH Notice 2016-05, the term "fixed-income" includes income from:

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

#### **21.04 Verification Guidance and Public Assistance Income Calculations**

HUD regulations stipulate in 24 CFR Part 5.609 (b) (6) that welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) be included in annual income only to the extent that such payments :

- qualify as assistance under the TANF program as defined in 45 CFR 260.31; and
- are not otherwise excluded from income under 24 CFR 5.609 (c).

If the welfare assistance payments include an amount specifically designated for shelter and utilities, the amount of welfare assistance income to be included as income should consist of:

- the amount of the allowance or grant exclusive of the amount specifically designated for shelter and utilities;
- the maximum amount of welfare assistance the agency could in fact allow the family for shelter and utilities; or
- the prorated amount as determined by the Department of Social Services (DSS) for families receiving SSI income.

#### **21.05 Zero Income Families**

“Zero-Income circumstances are very unusual and require extra steps to validate. This can be better accomplished in a face-to-face meeting.

Therefore, when a family reports zero income to the LA, the LA must conduct an in-office interim recertification at least every 90 days or at such earlier intervals as may be determined necessary by the LA. The purpose of the interim recertification is to verify the family’s expenses, and to have the family provide an explanation of how their expenses are being paid. Any regular contributions received by the family from outside sources must be considered as household income. In addition, the family must complete HCR’s “Zero Income Worksheet” Form on a **quarterly** basis. For further guidance on this topic, see the HUD Public Housing Occupancy Guidebook (published June 2003).

#### **21.06 Minimum Rent Hardship Exemption**

The LA must advise a family who is paying the minimum rent of their right to request an exemption of the minimum rent payment. If the family requests the exemption the LA must suspend the minimum rent and adjust the HAP payment effective on the first of the month following the change in the family’s circumstances. The LA must request documentation to substantiate the hardship, and must promptly determine if the hardship is temporary or long term.

If the LA determines the financial hardship to be temporary (90 days or less), the minimum rent must be suspended for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent must be reinstated retroactive to the date of suspension. If the amount the family owes as a result of the suspension of the minimum rent exceeds the family's ability to pay in one lump sum, the LA must offer the family a repayment plan.

Financial hardship includes the following circumstances:

- a family has lost eligibility for or is awaiting an eligibility determination for a government assistance program;
- a family would be evicted because it is unable to pay the minimum rent
- the income of the family has decreased because of changed circumstances including loss of employment;
- a death has occurred in the family; or
- other circumstances determined by the PHA or HUD.

The LA must conduct an in office interim recertification every 90 days for a family that is receiving a minimum rent hardship exemption. The purpose of the interim recertification is to verify the family's expenses, and to have the family provide an explanation of how their monthly expenses are being paid. Any regular contributions received by the family from outside sources must be considered as household income. In addition, the family must complete the HCR's "*Zero Income Worksheet*" Form.