Federal Housing Programs Overview
Section 8 Vouchers

HJN Basic Training
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NATIONAL HOUSING LAW PROJECT
advancing housing justice

National Housing Law Project
614 Grand Ave., Ste. 320
Oakland, CA 94610
(510) 251-9400
www.nhlp.org

Key Components

- **Number of Units:**
  - 1.8 million available; 1.7 million occupied
  - 53% Caucasian, 43% African-Amer., 16% Hispanic

Housing Choice Voucher Program

- **How Program Works: Who is Involved/Roles**
  - HUD signs a contract annual contributions contract (ACC) with PHA.
  - PHA administers the program locally
  - Tenant finds a willing landlord
  - PHA and landlord enter into HAP contract
  - Landlord and tenant sign a lease

Voucher Program Overview

Key Components

- **Who's Involved/Roles?**
  - Private owners/landlords own the housing
    - Owner may have other federal housing assistance such as LIHTC or Section 236, etc.
  - PHA is created by local law and is governed by a Board of Commissioners that set policies
    - Commissioners are generally appointed by elected officials but may be elected
    - PHA has specific area of jurisdiction

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Voucher Program Overview

Key Components

- **Key Regulatory Features:**
  - Federal statute, regulations and forms; forms and guidebook from www.hudclips or www.hud.gov
  - Locally developed rules, policies and contracts
    - Administrative Plan
    - PHA 5 year and annual plan developed locally, posted on HUD website
  - Form HUD Lease Addendum and landlord's lease

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Voucher Program Overview

Key Components

- **Finding Out Where this Housing Is Located in Your Community**
  - Key Voucher feature is mobility and *portability*: Portability means can use within jurisdiction of any PHA
    - PHA May deny portability due to high costs
  - Many Vouchers used in areas of high poverty and high racial concentration
    - Limitations supported by inadequate payment standard

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Voucher Program Overview

Key Components

- **Tips to Determine Kind of Housing Involved**
  - Tenant given Voucher and had to find the unit
  - PHA conducts annual insp'n and rent recert
  - Most often private unsubsidized LL
- **Getting Information:**
  - NHLP Manual, *HUD Housing Programs: Tenants' Rights* (3d ed. 2004)
  - NHLP monthly *Housing Law Bulletin*
  - NHLP Website, www.nhlp.org
  - NHLP maintained HJN list-serves
  - National Low Income Housing Coalition weekly Memo
  - Center for Budget Policy and Priorities www.cbpp.org

Voucher Program Overview

Key Components

- **Related Subprograms or Set-Asides for Special Uses:** Many Vouchers targeted for special needs, such as Welfare to Work, Family Unification, Mainstream, Designated Housing, Enhanced Vouchers; VASH via NOFAs; listed in PHA plan
- PHA may operate a Voucher homeownership program or "project-based Voucher" program
- Some PHAs must have Voucher Family Self Sufficiency (FSS) program; other PHAs have elected or expanded one

Voucher Program Overview

Admissions

- Admission issues are covered in another session
- Key elements of the admission process are set forth in the voucher outline

Voucher Program Overview

Housing Choice Voucher Program: Rent

- Tenant share of rent is a function of tenant income, maximum subsidy and rent charged for the unit.
- PHA Sets the maximum level of the subsidy by bedroom size—the Payment Standard
- Most tenant pay 30% of adjusted income
- Tenant may pay more if payment standard is less than rent charged by landlord

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Voucher Program Overview

Housing Choice Voucher Program: Rents

- **Payment Standard is Set:**
  - At 90% to 110% of the Fair Market Rents (FMR)
  - May be increased as a reasonable accommodation
  - **HUD waiver needed if above 110%**
- **Tenant Share of Rent is Higher of**
  - 30% of adjusted income or 10% of gross (rare), perhaps "welfare rent" or minimum rent
- **System Rife with Errors**
  - Tenant overpayment and underpayment
  - Getting better?

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Voucher Program Overview

Rents

- **Annual Income: Same as Public Housing**
  - All income anticipated for coming year
  - Many exclusions, same as Pub Hsg
  - Earned Income Disregard (EID) only for disabled members of V hsehold
- **Adjusted Income and Deductions**
  - Adjusted Income: $480 per dependent; $400 for elderly or disabled family; unreimbursed medical for elderly or disabled family and unreimbursed attendant care or apparatus expenses for disabled to work over 3%; child care expenses for employment or education
  - Typical Deductions: minors' earned income; lump-sum additions to assets or delayed start of SSI; **1990 deductions for child or spousal support never backed by appropriations**

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Voucher Program Overview

Rents

- **Recertification:** At least annually; interims on tenant request, except loss of certain welfare, or PHA discretion re increases; HUD Form 50058; note statute specifies *monthly* income, useful if HUD's rules or PHA's practices use annual income and actual monthly is lower
- **Minimum Rent and hardship exemptions**: PHA-set $0 to $50/mo., in PHA Plan; hardship best-kept secret
- **Utility Allowance:** PHA sets "reasonable" amount of T-paid utils, credited vs. tenant share; adjust when change by >10%; very few Ts get U reimbursement
- **Challenge T rent level** via informal hearing

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Voucher Program Overview

Rents

- **Other Voucher rent issues**
  - Tenant rent for new unit or initial participation cannot exceed 40% of tenant income
  - PHAs must review rent charged by landlord for "reasonableness" per market comparrables

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Voucher Program Overview

Grievances

- **Informal Hearing**
  - Tenant may request informal hearing for certain acts of PHA including rent and income determinations and proposed termination of the Voucher. 24 C.F.R. § 982.555 (2003).

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Evictions and Terminations

- Will be discussed in the afternoon
- Basic issues are set forth in the voucher outline

Current Important Issues

- PHA discretion for many program features (e.g., search time & pymt std.), influence by PHA Plan process or PHA Board
- Funding currently based upon a reasonable formula, but it is set forth in appropriation act.
- Instability in funding resulted in under utilization
- SEVRA may be reintroduced in 2009; deals with funding formula and other issues including rent; HQS

Current Important Issues

- Possible changes in PBV program