



U.S. Department of Housing and Urban Development
 Philadelphia Regional Office, Region III
 Liberty Square Building
 105 South Seventh Street
 Philadelphia, Pennsylvania 19106-3392

Mr. Tony Sade
 Legal Aid Society of Charleston
 1033 Quarrier St., Suite 600
 Charleston, WV 25301

Dear Mr. Sade:

I am in receipt of your explanatory letter of August 1, 1985. I have instructed the Field Office (Mr. William Broom) to contact you relative to any decision and a clarification of Departmental policy relative to the calculation of income derived from court-ordered support. Basically, where there is a pattern of verifiable non-support or less than that ordered by the court over a period of time established by the PHA, and where this pattern alters the calculation of the Section 8 subsidy the PHA is to use the documented pattern of support payments rather than the (higher) court-ordered support payment as income in the subsidy determination. The PHA may determine what constitutes a pattern and may request specific verification (eg. third party) of the non-receipt of income in order to ensure that the program is not being defrauded by covert payment.

We are advising the Field Offices and PHAs that a good guideline for a pattern is six month of non-support or support below that which is court ordered. The Kanawha County Housing Development Authority's interpretation of the occupancy regulations was within the framework of this handbook. HUD, and PHAs as emissarys of the Department's money have an obligation to be vigilant relative to any possibility of fraud in any program administered.

It would appear that your client, if she is able to provide adequate verification of Spousal non-support as ordered by the court will be eligible for a redetermination more favorable of income by the PHA.

Sincerely,

Kirk L. Gray
 Regional Director
 Office of Public Housing

cc:
 William Broom

*Reasonableness of their income
 projections - error maybe
 only prejudice needed to obtain
 relief from a demand of their PHA's:*

LEGAL AID
SOCIETY
OF CHARLESTON

1033 Quarrier St., Suite 600 Charleston, WV 25301 (304) 343-4481

August 1, 1985

Mr. Kirk L. Gray, Regional Director
Office of Public Housing
U.S.A. Department of Housing &
Urban Development
Liberty Square Building
105 South 7th Street
Philadelphia, PA 19106

Dear Mr. Gray:

In regard to our recent conversation, I am writing to ask for a policy determination of a practice currently engaged in by the Kanawha County Housing and Redevelopment Authority here in Charleston.

I represent a client for whom our local court has entered a support order in the amount of \$300 a month. Despite the existence of that court order, my client has received nowhere near the court ordered amount for any of the last dozens of months. Despite the discrepancy, the Housing Authority has deemed the full amount of the court order available to her, and uses that figure in computing her Section 8 rent.

As I indicated in our conversation, both the director of the Kanawha County Housing Authority and Bill Broome with the local HUD office have informed me that Kanawha County's practice is in accord with HUD policy, but no one has been able to cite me a specific regulation or Handbook provision supporting that determination.

Of course, my interpretation is decidedly different. 24 C.F.R. §813.106(a) now defines annual income as ". . . the anticipated total income from all sources received." Additionally, HUD Handbook 7420.7, §4-5e(4) regarding the verification of income from support payments, provides that in addition to third-party verification, the applicant him or

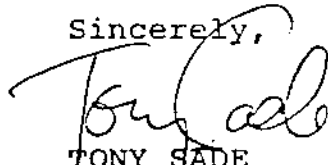
Mr. Kirk L. Gray, Regional Director
August 1, 1985

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herself may provide verification of income through e.g.,
"copy of current or recent check with appropriate information such as dates, amounts, and check number recorded by the PHA."

I would appreciate a determination of whether the practice of the Kanawha County Housing Redevelopment Authority of deeming the full amount of the support order as available income, regardless of the amount actually received, is correct. Additionally, I would appreciate suggestions on how to invoke your "if HUD was wrong, HUD pays" policy to recoup any excess charges my client has been assessed over the past several months.

Sincerely,



TONY SADE
Attorney at Law

TS:dw