MEMORANDUM FOR: All Public Housing Agencies (PHAs)
FROM: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing
SUBJECT: Consideration of Exculating Circumstances When Screening Applicants with Disabilities

January 27, 2011

It has recently come to the attention of the Department that disabled applicants to the Public Housing (PH) and Housing Choice Voucher (HCV) programs may face additional challenges during screening procedures due to poor credit histories, often exacerbated by outstanding medical costs related to their disability.

This letter intends to serve as a reminder to PHAs that discretion can and should be applied when determining admissions and occupancy policies, within the parameters of Department regulations (24 CFR Part 960 for the PH program and Part 982 Subparts E, G, and L for the HCV program). These regulations reflect the Department's commitment to provide applicants of diverse backgrounds opportunity for entrance into its programs. PHAs support this goal by using their discretion to set policies most appropriate for their local communities.

In both the PH and HCV programs, credit history checks should focus on verifying rental payment history. In the HCV program, private landlords/owners, not PHAs, generally screen a household for suitability for tenancy and are allowed to set their own tenancy standards in accordance with Fair Housing laws. If denied assistance by a PHA, prospective tenants are entitled to an informal hearing at which the PHA must present the reason(s) for denial. The Department encourages PHAs to consider extenuating circumstances when screening applicants with disabilities.

Thank you for your partnership and participation in the Department's programs, and for your attention to this important issue.