

Stability Vouchers Operating Policies
Addendum to Section 8 Administrative Plan

Stability Vouchers (SVs) are tenant-based vouchers under Section 8(o) of the United State Housing Act of 1937. Unless expressly waived in Notice PIH 2022-24, all statutory and regulatory requirements and HUD directives regarding the HCV program are applicable to SVs, including the use of all HUD required contracts and other forms. The administrative policies adopted in the PHA's written administrative plan apply to SVs unless such local policy conflicts with the requirements of Notice PIH 2022-24.

Waivers and Alternative Requirements

Direct referrals from the CoC or other partnering organization: The PHA must refer a family that is seeking SV assistance directly from the PHA to the CoC or other referring agency partner for initial intake, assessment, and possible referral for SV assistance. If at any time the PHA is not receiving enough referrals or is not receiving referrals in a timely manner from the CoC's CR process or other partner referral agencies, the PHA must enter into a formal partnership with another entity, such as another homeless service provider and/or victim services provider to receive referrals.

PHAs must inform families on the HCV waiting list of the availability of SVs by, at minimum, either posting the information to their website or providing public notice in their respective communities. The PHA notice must describe the eligible populations to which the SVs are limited and clearly state that the availability of these SVs is managed through a direct referral process. The PHA notice must advise the family to contact the CoC if the family believes they may be eligible for SV assistance.

If the PHA has a preference for survivors of domestic violence, dating violence, sexual assault, stalking, or human trafficking for the regular HCV program, the PHA must refer any applicant on the waiting list that indicated they qualified for this preference to the CoC, or the applicable partnering referral agency.

If the PHA has a homeless preference for the regular HCV program, the PHA must refer any applicant on the waiting list that indicated they qualified for the homeless preference to the CoC.

With the exception of special admissions, the HCV regulations require that the PHA admit an applicant as a waiting list admission. In order to implement the above alternative requirements, HUD is waiving 24 CFR 982.204(a), which requires that except for special admissions, participants must be selected from the PHA waiting list and that the PHA must select participants from the waiting list in accordance with admission policies in the PHA administration plan.

PHA Policy

VSHA will inform families on the HCV waiting list of the availability of SVs by posting a public notice to our website. VSHA will review applicants placed on the regular HCV waiting list with preferences to ensure families that qualify for SVs are referred to the CoC or other referring agency partner(s). VSHA will receive direct referrals from the CoC or other referring agency partner for households that have been prioritized by a VT Coordinated Entry organization.

Separate waiting lists for SVs: HUD is waiving 24 CFR 982.204(f) to establish an alternative requirement under which the PHA shall maintain a separate waiting list for SV referrals/applicants to help expedite the leasing process.

PHA Policy

VSHA will maintain a separate waiting list for SVs.

Public notice when opening and closing the waiting list: HUD is waiving 24 CFR 982.206, which requires the PHA to give public notice when opening and closing the waiting list. Under this alternative requirement, the PHA will work directly with its CoC, VSP, and other referral partners to manage the number of referrals and the size of the waiting list.

PHA Policy

VSHA will work directly with its CoC or other referring agency partner(s) to manage the number of referrals and the size of the SV waiting list.

Local preferences: HUD is waiving 24 CFR 982.207(a) and establishing an alternative requirement that the local preferences established by the PHA for HCV admissions do not apply to SVs. The PHA may choose, in coordination with the CoC and other referral partners, to establish separate local preferences for SVs, or may simply choose to not establish local preferences for the SV waiting list.

PHA Policy

VSHA will not establish any local preferences for the SV waiting list.

Residency preferences: HUD is waiving 24 CFR 982.207(b) and establishing an alternative requirement under which the PHA may not apply any residency preference to SV applicants.

PHA Policy

VSHA will not apply any residency preference.

Admissions: Mandatory and Permissive Prohibitions: HUD is waiving 24 CFR 982.552 and 982.553 in part and establishing an alternative requirement with respect to mandatory and permissive prohibitions of admissions for SV applicants. The SV requirement is as follows –

Mandatory Prohibitions:

- (1) The PHA must apply the standards it established under 24 CFR 982.553(a)(1)(ii)(C) that prohibit admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing to SV applicants.
- (2) The PHA must apply the standards it established under 24 CFR 982.553(a)(2)(i) that prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program to SV applicants.

PHA Policy

VSHA will deny admission to the program if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing and/or if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

Permissive Prohibitions: The PHA may prohibit admission of a family for the grounds stated below; however, the PHA must consult with its CoC partners to understand the impact that the use of permissive prohibitions may have on referrals and must take the CoC's recommendations into consideration –

- (1) If the PHA determines that any household member is currently engaged in, or has engaged in within the previous 12 months:
 - a) Violent criminal activity.
 - b) Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity.
- (2) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program within the previous 12 months.
- (3) If the family engaged in or threatened abusive or violent behavior toward PHA personnel within the previous 12 months.

PHA Policy

VSHA will not prohibit admission of a family for permissive prohibitions.

Unallowable Prohibitions: PHAs may not deny applicant admission regardless of whether:

- Any member of the family has been evicted from federally assisted housing in the last five years.
- A PHA has ever terminated assistance under the program for any member of the family.
- The family 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.
- 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 breached an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA.
- The family would otherwise be prohibited admission under alcohol abuse standards established by the PHA in accordance with 24 CFR 982.553(a)(3)
- The PHA determines that any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

PHA Policy

VSHA will not deny admission for any of the unallowable prohibitions.

The PHA must still deny admission to the program if any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR part 5 as required by 24 CFR 982.552(b)(3) but should notify the family of limited SV grounds for denial of admission first.

PHA Policy

VSHA will deny admission to the program if any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR part 5 as required by 24 CFR 982.552(b)(3).

When adding a family member after the family has been placed under a HAP Contract with SV assistance, the regulations at 24 CFR 982.551(h)(2) apply. Other than the birth, adoption, or court-awarded custody of a child, the PHA must approve additional family members and may apply its regular screening criteria.

Income Verification at Admission: HUD is waiving 24 CFR 982.201(e) and alternatively allowing PHAs to consider self-certification as the highest form of income verification at admission. Applicants must submit an affidavit attesting to reported income, assets, expenses, and other factors which would affect an income eligibility determination. Additionally, applicants may provide third-party documentation which represents the applicant's income within the 60-day period prior to admission or voucher issuance but is not dated within 60 days of the PHA's request.

PHA Policy

VSHA is not adopting this waiver and therefore will continue to comply with 24 CFR 982.201(e) when verifying that the applicant is income eligible for the program.

Social Security Number and Citizenship Status Verification [24 CFR 5.216(b)(2), (g), (h), 5.218, 5.508(b)(2)(ii), (b)(3)(ii), (g): HUD is waiving the requirement to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the SV program.

Documentation must be provided in 180 days of admission to be eligible for continued assistance, pending verification, unless the PHA provides an extension based on evidence from the family or confirmation from the CoC or other partnering agency that the family has made a good-faith effort to obtain the documentation.

PHAs may accept self-certification of date of birth and disability status if a higher level of verification is not immediately available. PHA must obtain a higher level of verification within 90 days of admission or verify the information in EIV.

PHA Policy

VSHA is not adopting this waiver and therefore will continue to comply with 24 CFR 5.216(b)(2), (g), (h), 5.218, 5.508(b)(2)(ii), (b)(3)(ii), (g) before admitting the family to the SV program.

Income targeting requirements: The income targeting requirements of Section 16(b) of the United States Housing Act of 1937 and 24 CFR 982.201(b)(2) are waived and do not apply for SV families so that participating PHAs can effectively serve individuals and families in all the eligibility categories under the ARP who may be at a variety of income levels, including low-income families.

PHA Policy

VSHA will serve families with incomes at 50% of Area Median Income (AMI) or below.

VSHA will include the admission of extremely low-income SV families in its income targeting numbers for the fiscal year in which these families were admitted.

Income calculation and verifications from third-party providers: HUD is waiving 24 CFR 982.201(e) and offering an alternative requirement that allows PHAs to accept income calculations and verifications from third-party providers or from an examination that the PHA conducted on behalf of the family for another subsidized housing program in lieu of conducting an initial examination of income as long as the income was (1) calculated in accordance with rules outlines at 24 CFR Part 5 and within the last six months and (2) the family certifies there has been no change in income or family composition in the interim.

For each new admission under this waiver and alternative requirement, the PHA must: review the EIV Income and IVT Reports to confirm/validate family-reported income within 90 days of the IMS/PIC submission date; print and maintain copies of the EIV Income and IVT Reports in the tenant file; and resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.

At the time of the family's annual reexamination the PHA must conduct the annual reexamination of income as outlined at 24 CFR 982.516.

PHA Policy

VSHA is not adopting this waiver and therefore will continue to comply with 24 CFR 982.201(e) when verifying that the applicant is income eligible for the program.

VSHA will conduct the annual reexamination of income as outlined in 24 CFR 982.516.

Pre-inspection of HQS units: To expediate the leasing process, PHAs may pre-inspect available units that SV families may be interested in leasing in order to maintain a pool of eligible units. If an SV family selects a unit that passed a HQS inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval (form HUD-52517), the unit may be approved as long as it meets all other conditions under 24 CFR 982.305. However, the family must be free to select their unit and cannot be required to accept a pre-screened unit.

PHA Policy

VSHA is not adopting this waiver and therefore will not pre-inspect available units that SV families may be interested in leasing in order to maintain a pool of eligible units.

Initial search term: HUD is waiving 24 CFR 982.203(a), which provides that the initial search term must be at least 60 days and is establishing an alternative requirement that the initial search term for an SV must be at least 120 days. Any extensions, suspensions, and progress reports will remain under the policies in the PHA's administrative plan but will apply after the minimum 120-day initial search term.

PHA Policy

VSHA will provide an initial search term of 120 days. Any extensions, suspensions, and progress reports will remain under the policies of the regular HCV administrative plan.

Initial lease term: HUD is waiving Section 8(o)(7)(A) of the United States Housing Act of 1937 and 24 CFR 982.309(a)(2)(ii). The initial lease term for an SV family may be less than 12 months regardless of whether the shorter term is a prevailing market practice.

PHA Policy

VSHA will allow families to enter into an initial lease term shorter than one year.

Portability [Section 8(r)(1)(B)(i) of the United States Housing Act of 1937 and 24 CFR 982.353(c)]: The normal portability procedures and requirements generally apply to SVs with the following exceptions.

No prohibition on portability for non-resident applicants: HUD is waiving Section 8(o)(1)(B)(i) of the United States Housing Act of 1937 and 24 CFR 982.353(c). The PHA may not restrict an SV family from exercising portability because they are a nonresident applicant.

Portability billing and absorption: A receiving PHA cannot refuse to assist an incoming SV family, regardless of whether the PHA does or does not currently administer SVs under its own ACC.

If an SV family moves under portability to another PHA that administers SVs under its own ACC:

- The receiving PHA may only absorb the incoming SV family with an SV (assuming it has an SV voucher available to do). If the PHA does not have an SV available to absorb the family, it must bill the initial PHA. The receiving PHA must allow the family to lease the unit with SV assistance and may not absorb the family with a regular HCV when the family leases the unit.
- Regardless of whether the receiving PHA absorbs or bills the initial PHA for the family's SV assistance, the SV administration of the voucher is in accordance with the receiving PHA's SV policies, although neighboring PHAs and PHAs in the same metro area or region are strongly encouraged to work collaboratively with one another to align SV policies and help facilitate SV portability moves between their jurisdictions.

If the SV family moves under portability to another PHA that does not administer SVs under its own ACC, the receiving PHA may absorb the family into its regular HCV program or may bill the initial PHA.

Family briefing/initial PHA and receiving PHA coordination on services: In addition to the applicable family briefing requirements at 24 CFR 982.301(a)(2) as to how portability works and how portability may affect the family's assistance, the initial PHA must inform the family how portability may impact the special SV services and assistance that may be available to the family.

If portability move is in connection with the SV family's initial lease-up, the receiving PHA and the initial PHA must consult and coordinate on any services and assistance that will be made available to the family. The primary purpose of this communication is to ensure there is no duplication of SV services and

assistance provided to the family and that the receiving PHA is aware of the maximum amount of services fee funding that the initial PHA may provide to the receiving PHA on behalf of the family.

SV portability – HAP and administrative fees: The requirements at 24 CFR 982.355(e) apply to portability billing arrangements on behalf of an SV family:

- The initial PHA must promptly reimburse the receiving PHA for the full amount of the housing assistance payments made by the receiving PHA for the family.
- The initial PHA must promptly reimburse the receiving PHA for the lesser of 80 percent of the initial PHA's SV ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee (or the receiving PHA's SV ongoing administrative fee if the receiving PHA administers the SV program). If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

PHA Policy

VSHA will not restrict an SV nonresident applicant to move under portability.

VSHA will not refuse to assist an income SV family. VSHA will inform the family how portability works and how portability may affect the family's assistance. VSHA, as the initial PHA, will inform the family how portability may impact the special SV services and assistance that may be available to the family.

If portability move is in connection with the SV family's initial lease-up, VSHA will consult and coordinate on the SV services and assistance that will be made available to the family.

Establishing separate higher payment standards for SVs: HUD is waiving 24 CFR 982.503(a)(3) and establishing an alternative requirement permitting PHAs to establish separate higher payment standards for SVs in order to increase the potential pool of available units for SV families. PHAs are not permitted to establish a separate payment standard for the SVs that is lower than the regular HCV payment standard. If the PHA is increasing the regular HCV payment standard, the PHA must also increase the SV payment standard if it would be otherwise lower than the new regular HCV payment standard.

For PHAs administering both SVs and EHV, the SV payment standard must not be less than the EHV payment standard.

HUD is waiving 24 CFR 982.503(b)(1)(i) and establishing an alternative requirement to allow the PHA to establish a payment standard amount for a unit size at any level between 90 percent and 120 percent (as opposed to 110 percent) of the published FMR for that unit size. HUD approval is not required to establish an SV payment standard within that range.

All rent reasonableness requirements at 24 CFR 982.507 continue to apply to SV units, regardless of whether the PHA has established an alternative or exception SV payment standard.

PHA Policy

VSHA is not adopting this waiver and therefore will use the regular HCV established payment standard.

The SV payment standard will not be less than the EHV payment standard.

Application of Increased Payment Standard: HUD is waiving 24 CFR 982.505(c)(4) and establishing an alternative requirement providing a PHA with the discretion to establish a policy in the PHA administrative plan on when to apply the increased payment standard after the effective date of the increase in the payment standard amount, provided the increased payment standard is used to calculate the HAP no later than the effective date of the family's first regular reexamination following the change.

PHA Policy

VSHA is not adopting this waiver and therefore will apply the increased payment standard as established in policy in the administrative plan.

Project-based units: All tenant-based SV awards can be converted to Project-Based Vouchers (PBV) at any time after award without HUD approval provided all the established PBV regulations and requirements are followed. All PBV requirements in 24 CFR part 983 apply for SVs except where waived as described below. The HCV regulations at 24 CFR 983.215(c)(1) require PHAs to select families for project-based units from its HCV waiting list (or PBV waiting list, if applicable). HUD is waiving this requirement and establishing an alternative requirement that PHAs receive SV referrals from CoC partners for vouchers as well as project-based assistance.

PHA Policy

VSHA may convert all tenant-based SV awards into Project-Based Vouchers (PBV) provided all established PBV regulations and requirements are followed with the exception of regulation 24 CFR 983.215(c)(1) as waived above.

Turnover: Upon turnover, SV vouchers must continue to remain available for families experiencing or at-risk of homelessness, those fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking, or human trafficking, and veterans and families that include a veteran family member that meet one of the proceeding criteria.

PHA Policy

VSHA, upon turnover, will continue to keep available SV vouchers available for families experiencing or at-risk of homelessness, those fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking, or human trafficking, and veterans and families that include a veteran family member that meet one of the proceeding criteria.

Reporting Requirements: PHAs awarded SVs under this notice must maintain a special program code for Stability Voucher participants in line 2n of the Family Report (form HUD-50058) or line 2p of the MTW Family Report (form HUD-50058), as applicable. The special program code is "SV." PHAs must also properly record the date the PHA issues the voucher to the eligible household in line 2a of the 50058.

PHAs may need to update their system software to incorporate the new special purpose voucher code "SV."