

Chapter 12

TERMINATION OF ASSISTANCE AND TENANCY

HUD regulations specify mandatory and optional grounds for which a PHA can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter describes the policies that govern mandatory and optional terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

Part I: Grounds for Termination of Assistance. This part describes the various circumstances under which assistance under the program can be terminated by the family or by the PHA.

Part II: Approach to Termination of Assistance. This part describes the policies and the process that the PHA will use in evaluating decisions on whether to terminate assistance due to actions or inactions of the family where termination is an option. It specifies the alternatives that the PHA may consider in lieu of termination, the criteria the PHA will use when deciding what action to take, and the steps the PHA must take when terminating a family's assistance.

Part III: Termination of Tenancy by the Owner. This part describes the HUD policies that govern the owner's right to terminate an assisted tenancy.

PART I: GROUNDS FOR TERMINATION OF ASSISTANCE

12-I.A. OVERVIEW

HUD requires the PHA to terminate assistance for certain actions and inactions of the family and when the family no longer requires assistance due to increases in family income. HUD permits the PHA to terminate assistance for certain other actions or inactions of the family. In addition, a family may decide to withdraw from the program and terminate their HCV assistance at any time by notifying the PHA.

12-I.B. FAMILY NO LONGER REQUIRES ASSISTANCE [24 CFR 982.455]

As a family's income increases, the amount of the housing assistance payment decreases. If the amount of assistance provided by the PHA is reduced to zero, the family's assistance terminates automatically 180 days after the last Housing Assistance Payment (HAP).

MSHDA Policy

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP to the owner, the family must notify MSHDA of the change and request an interim reexamination before the expiration of the 180-day period.

NOTE: **Per CFR 24 983.2(c)(6);** the provisions of section 982.455 do not apply to the PBV program. If a PBV unit is occupied by a family for which housing assistance is no longer required, the PHA has the option of removing this unit from the PBV/HAP contract **or** substituting the unit with a comparable unit in the development for occupancy by another PBV eligible family rather than hold off on the use of the assistance for six months. Please refer to Chapter 17 – Part V: Housing Assistance Payments Contract - Terminations for further guidance.

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12-I.C. FAMILY CHOOSES TO TERMINATE ASSISTANCE

The family may request that the PHA terminate housing assistance payments on behalf of the family at any time.

MSHDA Policy

The request to terminate assistance should be made in writing and signed by the head of household, and spouse or cohead if applicable. Before terminating the family's assistance, MSHDA will follow the notice requirements in Section 12.II.F.

When the participant voluntarily terminates from the program, the termination effective date is earliest of:

1. The last date of the month in which the family is vacating the unit, or
2. The last day of the "self-termination" month stated in the participant provided written notification to MSHDA of the voluntary termination. The family notice of "self-termination" needs to include the effective date of their self-termination. This circumstance may result in a 30-day notice not being provided to the landlord.

When a program participant self-terminates, MSHDA's policies for appeals and hearings are not applicable. Participants are only eligible to request a hearing to dispute an action taken by MSHDA. The rules for hearings do not apply to a participant initiated self-termination, because MSHDA did not take action to terminate participation on the program when the participant self-terminates.

12-I.D. MANDATORY TERMINATION OF ASSISTANCE

HUD requires the PHA to terminate assistance in the following circumstances.

Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]

The PHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. As discussed further in section 12-II.E, incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.

MSHDA Policy

A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

If a family moves after the owner has given the family an eviction notice for serious and/or repeated lease violation(s) but before a legal eviction order has been issued, termination of assistance is not mandatory. In such cases MSHDA will determine whether the family has committed serious and/or repeated violation(s) of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in section 12-II.C. In making its decision, MSHDA will consider the

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factors described in sections 12-II.D and 12-II.E. Upon consideration of such factors, MSHDA may, on a case-by-case basis, choose not to terminate assistance.

Serious and/or repeated lease violation(s) will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. See **12-III.B.** for examples of such violations. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests.

It is a family obligation to provide to the HA copies of all notices issued to them by the landlord within 15 business days following receipt of any notice. Failure to do so is grounds for termination of assistance.

If the notice of termination issued by the landlord is for cause, the HA shall review the basis for the termination to determine if the violation of the lease is also a violation of the family's obligations under the voucher, and if the HA should begin an investigation that could lead to the termination of the family from the HCV program.

Failure to Provide Consent [24 CFR 982.552(b)(3)]

The PHA must terminate assistance if any family member fails to sign and submit any consent form, they are required to sign for a regular or interim reexamination. See Chapter 7 for a complete discussion of consent requirements.

Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]

The PHA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2018-24]

The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.

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MSHDA Policy

MSHDA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]

The PHA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

Lifetime Registered Sex Offenders [Notice PIH 2012-28]

Should a PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member.

In this situation, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, is not residing with his/her parents in an HCV assisted household, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the PHA must terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and PHA policies or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]

The PHA must immediately terminate program assistance for deceased single member households.

MSHDA Policy

Per the HAP Contract, the termination effective date must be the last day of the month in which the death occurred, which may be retroactive.

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12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS

Mandatory Policies [24 CFR 982.553(b) and 982.551(l)]

HUD requires the PHA to establish policies that permit the PHA to terminate assistance if the PHA determines that:

- Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents. (§982.553(b)(1)(i)(A) and (B))
- Any household member's abuse or pattern of abuse of alcohol that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. (§982.553(b)(3))
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity. HUD defines this as the illegal manufacture, sale, distribution or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug. (§982.553(b)(1)(iii))
- Any household member has violated the family's obligation not to engage in violent criminal activity. This means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage. (§982.553(b)(2))
- Any household member engages in other criminal activity prohibited by §982.551(l) that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity.

Use of Illegal Drugs, Marijuana, Alcohol Abuse, and Other Criminal Activity

MSHDA Policy

The legalization of marijuana in the State of Michigan directly conflicts with the HUD definition of a controlled substance in Section 102 of the Controlled Substances Act. The conflicting State and Federal laws present a challenge to administer a federally funded Housing Choice Voucher Program. As a result, MSHDA will apply the following standards when considering if a participant's housing should be terminated when an HA or MSHDA staff person witness the possession and/or use of marijuana in an assisted unit via an HQS inspection or are made aware of a participant's use of marijuana that results in:

- Violation of the lease
- HQS breach caused by the family
- Verbal or written law enforcement report of criminal activity.

MSHDA will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

MSHDA will terminate assistance if any household member's abuse or pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

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Currently engaged in is defined as any use of illegal drugs during the previous twelve (12) months, unless the household member is enrolled in a court ordered treatment program.

Other Criminal Activity: HUD provides that any criminal activity that may reasonably threaten the health, safety, or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises is both grounds for program termination (§982.551(l)) and tenancy termination (§982.310(c)(2)). MSHDA considers such criminal activity to include, but not necessarily be limited to, crimes against property (burglary, etc.), social crimes (rioting, gang-recruitment, hate-crimes, child pornography, etc.), and risk-crimes (impaired driving, illegal gun possession, etc.).

“Immediate vicinity” is defined as within a two-mile radius of the premises.

MSHDA will consider all credible evidence, including but not limited to, police reports containing an officer’s direct knowledge of the incident, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

A record of arrest(s) will not be used as the **sole** basis for the termination or proof that the participant engaged in disqualifying criminal activity; however, an arrest record may trigger an investigation into whether there is sufficient evidence for MSHDA to determine if the participant engaged in disqualifying criminal activity. MSHDA may utilize other evidence such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to make a determination that disqualifying conduct occurred.

MSHDA, in its sole discretion, may terminate a participant’s assistance when a subsequent criminal screening shows that an arrest and/or charge has been adjudicated and the participant was found guilty or pled nolo contendere. In these instances, the participant may be subject to termination based on either the judicial or sentencing date.

In making its decision to terminate assistance, MSHDA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, MSHDA may, on a case-by-case basis, choose not to terminate assistance.

Drug-Related and Violent Criminal Activity [24 CFR 5.100]

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity is defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

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MSHDA Policy

MSHDA further defines examples of violent criminal activity to include but not be limited to: rape, murder, robbery, arson, aggravated assault, and home invasion.

MSHDA will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity at any time during participation in the HCV program per §982.551 and Chapter 5, Section 5-I.C.

When making the decision to terminate, MSHDA will determine if the household member is currently engaging in drug-related or violent criminal activity. The term "currently engaging in" is defined as follows:

- any drug-related criminal activity during the previous twelve (12) months; and,
- any violent criminal activity during the previous twenty-four (24) months.

MSHDA will consider all credible evidence, including but not limited to, police reports containing an officer's direct knowledge of the incident, any record of arrests and/or convictions of household members related to drug-related or violent criminal activity, and any eviction or notice to evict based on drug-related or violent criminal activity.

A record of arrest(s) will not be used as the **sole** basis for the termination or proof that the participant engaged in disqualifying criminal activity; however, an arrest record may trigger an investigation into whether there is sufficient evidence for MSHDA to determine if the participant engaged in disqualifying criminal activity. MSHDA may utilize other evidence such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to make a determination that disqualifying conduct occurred.

MSHDA, in its sole discretion, may terminate a participant's assistance when a subsequent criminal screening shows that an arrest and/or charge has been adjudicated and the participant was found guilty or pled nolo contendere. In these instances, the participant may be subject to termination based on either the judicial or sentencing date.

In making its decision to terminate assistance, MSHDA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, MSHDA may, on a case-by-case basis, choose not to terminate assistance.

If the person's sex offender registry requirement was changed to "lifetime" after admission to the program and they have not engaged in any further criminal activity, they are not subject to termination due to the lifetime sex offender registry requirement; however, if they have engaged in further criminal activity resulting in a lifetime registry requirement, they are subject to termination due to engaging in violent criminal activity.

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Other Authorized Reasons for Termination of Assistance

[24 CFR 982.552(c), 24 CFR 5.2005(c)]

HUD permits the PHA to terminate assistance under a number of other circumstances. It is left to the discretion of the PHA whether such circumstances in general warrant consideration for the termination of assistance. As discussed further in section 12-II.E, the Violence against Women Act of 2013 (VAWA) explicitly prohibits PHAs from considering incidents of, or criminal activity directly related to, domestic violence, dating violence, sexual assault, or stalking as reasons for terminating the assistance of a victim of such abuse.

Additionally, per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, PHAs are no longer permitted to terminate assistance to a family due to the family's failure to meet its obligations under the Family Self-Sufficiency (FSS) contract of participation [FR Notice 12/29/14].

MSHDA Policy

MSHDA **will** terminate a family's assistance if:

The family has failed to comply with any family obligations under the program. See **Exhibit 12-1** for a listing of family obligations and related PHA policies.

Any family member has been evicted from federally-assisted housing.

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program. This includes but is not limited to the activities prohibited by 18 U.S.C. 1001, 1010, 1012, and 641.

The family currently owes rent or other amounts to any PHA in connection with the Section 8 or public housing assistance under the 1937 act.

The family has not reimbursed any PHA for amounts the PHA 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 has breached the terms of a repayment agreement entered into with MSHDA or other PHA.

A family member has engaged in or threatened violent or abusive behavior toward MSHDA personnel, Contracted Housing Agents, or contracted Housing Agents personnel/staff.

Abusive or violent behavior towards MSHDA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to terminate assistance, MSHDA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, MSHDA may, on a case-by-case basis, choose not to terminate assistance.

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Family Absence from the Unit [24 CFR 982.312]

The family may be absent from the unit for brief periods. The PHA must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence in this context means that no member of the family is residing in the unit.

MSHDA Policy

If the family is absent from the unit for more than 180 consecutive calendar days, the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.F.

Chapter 3 of the Administrative Plan provides family reporting requirements when a member of the family is temporarily absent or permanently absent from the unit.

Insufficient Funding [24 CFR 982.454]

The PHA may terminate HAP contracts if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

MSHDA Policy

MSHDA will determine whether there is sufficient funding to pay for currently assisted families according to the policies in Part VIII of Chapter 16. If MSHDA determines there is a shortage of funding, prior to terminating any HAP contracts, MSHDA will determine if any other actions can be taken to reduce program costs.

In the event that the PHA decides to stop issuing vouchers as a result of a funding shortfall, and the PHA is not assisting the required number of special purpose vouchers (NED families, HUD-Veterans Affairs Supportive Housing (VASH) families, and family unification program (FUP) families), when the PHA resumes issuing vouchers, the PHA will issue vouchers first to the special purpose voucher families on its waiting list until it has reached the required number of special purpose vouchers, when applicable.

If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, MSHDA will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, MSHDA will inform the local HUD field office. MSHDA will terminate the minimum number needed in order to reduce HAP costs to a level within MSHDA's annual budget authority.

If MSHDA must terminate HAP contracts due to insufficient funding, MSHDA will do so in accordance with the following criteria and instructions:

Families comprising the required number of special purpose vouchers, including Non-elderly disabled (NED), HUD-Veteran's Affairs Supportive Housing (HUD-VASH), and family unification program (FUP) will be the last to be terminated.

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Most recent admissions excepting elderly, disabled, or PBV will be terminated first, until MSHDA's HAP savings are sufficient to ensure that MSHDA does not exceed its budget authority.

PART II: APPROACH TO TERMINATION OF ASSISTANCE

12-II.A. OVERVIEW

The PHA is required by regulation to terminate a family's assistance for certain actions or inactions of the family. For other types of actions or inactions of the family, the regulations give the PHA the authority to either terminate the family's assistance or to take another action. This part discusses the various actions the PHA may choose to take when it has discretion and outlines the criteria the PHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notification to the family of the PHA's intent to terminate.

12-II.B. METHOD OF TERMINATION [24 CFR 982.552(a)(3)]

Termination of assistance for a participant may include any or all of the following:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to enter into a new HAP contract or approve a lease, or
- Refusing to process a request for or to provide assistance under portability procedures.

12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE

Change in Household Composition

As a condition of continued assistance, the PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit [24 CFR 982.552(c)(2)(ii)].

MSHDA Policy

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon MSHDA request.

Repayment of Family Debts

MSHDA Policy

If a family owes amounts to MSHDA, as a condition of continued assistance, MSHDA will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from MSHDA of the amount owed. See Chapter 16 for policies on repayment agreements.

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12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

Evidence

For criminal activity, HUD permits the PHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted [24 CFR 982.553(c)].

MSHDA Policy

MSHDA will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence

Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]

Unless termination is required under HUD regulations, the PHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

MSHDA Policy

MSHDA will consider the following facts and circumstances when making its decision to terminate assistance:

The seriousness of the case, especially with respect to how it would affect other residents' safety or property.

The effects that termination of assistance may have on other members of the family who were not involved in the action or failure to act

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in section 12-II.E) a victim of domestic violence, dating violence, sexual assault or stalking

The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as, the family's recent history and the likelihood of favorable conduct in the future

While a record of arrest(s) will not be used as the **sole** basis for termination, an arrest may, however, trigger an investigation to determine whether the participant actually engaged in disqualifying criminal activity. As part of its investigation, the PHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The PHA may also consider:

- Any statements made by witnesses or the participant not included in the police report

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- Whether criminal charges were filed
- Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal
- Any other evidence relevant to determining whether or not the participant engaged in disqualifying activity
- Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

MSHDA will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family

Before terminating assistance, MSHDA will also consider the mitigating circumstances related to a disability.

For criminal and/or drug related crimes and behaviors, credible evidence or records are necessary to justify decisions. Such evidence might include drugs found in the most recently rented unit. Credible evidence or records to be taken into account in termination decisions include, but are not limited to, judgments, police reports containing an officer's direct knowledge of the incident, complaints, letters from neighbors or management officers (or family members supported by documentation), restraining orders, evidence provided by police and the court system (such as raids), an arrest warrant issued, or any other written documents confirming or explaining the situation.

When a landlord, probation officer, neighbor, or social service agency worker provides information about alcohol abuse, drug use, or criminal activities or behaviors, a written complaint or documentation must be provided. When the information is provided by someone that cannot provide proof of the criminal act, MSHDA must obtain verification of such information from a reliable source, in writing, such as verified criminal records or a criminal history report.

Evidence of a household member's successful completion of a supervised drug or alcohol rehabilitation program may be verified in the form of a certification from the agency administering the rehabilitation program which includes a statement that the individual was compliant with all the rehabilitation program rules and successfully completed said program. A supervised drug rehabilitation program does not include self-help treatment programs, e.g. Alcoholics Anonymous.

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If the household member has not yet completed the supervised drug or alcohol rehabilitation program, verification is required to show that the individual is demonstrating progress. The verification may be in the form of a certification from the agency administering the rehabilitation program which includes a statement that the individual is currently enrolled in the program, compliant with all the rehabilitation program rules and is demonstrating progress in the program.

If the Controlled Substances Act is violated for the use and/or possession of marijuana, MSHDA will consider the information provided in the Michigan Medical Marihuana Act (Initiated Law 1 of 2008). However, Caregivers, as defined in the Michigan Medical Marihuana Act, will not be permitted and will not receive the considerations outlined in the Michigan Medical Marihuana Act or MSHDA Standard Operating Procedure. MSHDA will require the participant to submit evidence of the household member's legal registration with the Michigan Department of Licensing and Regulatory Affairs (LARA) for medicinal marijuana use.

MSHDA may perform a pre-termination conference with the participant, but it is not required.

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

If the family includes a person with disabilities, the PHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

MSHDA Policy

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, MSHDA will determine whether the behavior is related to the disability. If so, upon the family's request, MSHDA will determine whether alternative measures are appropriate as a reasonable accommodation. MSHDA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See Chapter 2 for a discussion of reasonable accommodation.

12-II.E. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING

This section describes the protections against termination of assistance that the Violence against Women Act of 2013 (VAWA) provides for victims of domestic violence, dating violence, sexual assault and stalking. For general VAWA requirements, key VAWA definitions, and PHA policies pertaining to notification, documentation, and confidentiality, see section 16-IX of this plan.

VAWA Protections against Termination

VAWA provides four specific protections against termination of HCV assistance for victims of domestic violence, dating violence, sexual assault or stalking. (*Note:* The second, third, and

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fourth protections also apply to terminations of tenancy or occupancy by owners participating in the HCV program, as do the limitations discussed under the next heading.)

First, VAWA provides that a PHA may not terminate assistance to a family that moves out of an assisted unit in violation of the lease, with or without prior notification to the PHA, if the move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the unit [24 CFR 982.314(b)(4)].

Second, it provides that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may not be construed either as a serious or repeated lease violation by the victim or as good cause to terminate the assistance of the victim [24 CFR 5.2005(c)(1)].

Third, it provides that criminal activity directly related to domestic violence, dating violence, sexual assault or stalking may not be construed as cause for terminating the assistance of a tenant if a member of the tenant's household, a guest, or another person under the tenant's control is the one engaging in the criminal activity and the tenant or affiliated individual or other individual is the actual or threatened victim of the domestic violence, dating violence, or stalking [24 CFR 5.2005(c)(2)].

Fourth, it gives PHAs the authority to terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing, the victim of the violence [24 CFR 5.2009(a)].

Limitations on VAWA Protections [24 CFR 5.2005(d) and (e)]

VAWA does not limit the authority of a PHA to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault or stalking so long as the PHA does not subject the victim to a more demanding standard than it applies to other program participants [24 CFR 5.2005(d)(1)].

Likewise, VAWA does not limit the authority of a PHA to terminate the assistance of a victim of domestic violence, dating violence, sexual assault or stalking if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the assisted property if the victim is not terminated from assistance. [24 CFR 5.2005(d)(2)].

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk

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- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur [24 CFR 5.2005(e)]

In order to demonstrate an actual and imminent threat, the PHA must have objective evidence of words, gestures, actions, or other indicators. Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat" [24 CFR 5.2005(d)(3)].

MSHDA Policy

In determining whether a program participant who is a victim of domestic violence, dating violence, sexual assault or stalking is an actual and imminent threat to other tenants or those employed at or providing service to a property, MSHDA will consider the following, and any other relevant, factors:

Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault or stalking

Whether the threat is a physical danger beyond a speculative threat

Whether the threat is likely to happen within an immediate time frame

Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location or seeking a legal remedy to prevent the perpetrator from acting on the threat

If the participant wishes to contest MSHDA's determination that he or she is an actual and imminent threat to other tenants or employees, the participant may do so as part of the informal hearing.

Documentation of Abuse [24 CFR 5.2007]

MSHDA Policy

When an individual facing termination of assistance for reasons related to domestic violence, dating violence, sexual assault or stalking claims protection under VAWA, the PHA will request that the individual provide documentation supporting the claim in accordance with the policies in section 16-IX.D of this plan.

The PHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases the PHA will document the waiver in the individual's file.

Terminating the Assistance of a Domestic Violence Perpetrator

Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators. VAWA gives the PHA the explicit authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others" without terminating assistance to, "or otherwise penalizing the victim of such violence who is also a

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tenant or lawful occupant” [24 CFR 5.2009(a)]. This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member. Further, this authority supersedes any local, state, or other federal law to the contrary. However, if the PHA chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance. This means that the PHA must follow the same rules when terminating assistance to an individual as it would when terminating the assistance of an entire family [3/16/07 *Federal Register* notice on the applicability of VAWA to HUD programs].

If the perpetrator remains in the unit, the PHA continues to pay the owner until the PHA terminates the perpetrator from the program. The PHA must not stop paying HAP until 30 days after the owner bifurcates the lease to evict the perpetrator. The PHA may pay HAP for the full month if the 30-day period will end mid-month [Notice PIH 2017-08].

If the perpetrator is the only participant eligible to receive assistance, the PHA will provide any remaining participant a chance to establish eligibility for the program. If the remaining participant cannot do so, the PHA will provide them with 30 days to establish eligibility for another housing program prior to termination of the HAP contract.

MSHDA Policy

MSHDA will terminate assistance to a family member if MSHDA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the assistance of the remaining, nonculpable family members.

In making its decision, MSHDA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-5382) or other documentation of abuse submitted to MSHDA by the victim in accordance with this section and section 16-IX.D. MSHDA will also consider the factors in section 12-II.D. Upon such consideration, MSHDA may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

If MSHDA does terminate the assistance of the culpable family member, it will do so in accordance with applicable law, HUD regulations, and the policies in this plan.

12-II.F. TERMINATION NOTICE

MSHDA Policy

Whenever a family’s assistance will be terminated, MSHDA will send a written notice of termination to the family and to the owner. MSHDA will also send a form HUD-5382 to the family with the termination notice. The notice will state the date on which the termination will become effective. This date generally will be at least 30 calendar days following the date of the termination notice, but exceptions will be made whenever HUD rules, other PHA policies, or the circumstances surrounding the termination require.

If a family whose assistance is being terminated is entitled to an informal hearing, the notice of termination that the PHA sends to the family must meet the additional HUD and PHA notice requirements discussed in section 16-III.C of this plan. VAWA 2013 expands notification

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requirements to require PHAs to provide notice of VAWA rights and the HUD 5382 form when MSHDA terminates a household's housing benefits.

MSHDA Policy

Whenever MSHDA decides to terminate a family's assistance because of the family's action or failure to act, MSHDA will include in its termination notice the VAWA information described in section 16-IX.C of this plan and a form HUD 5382. MSHDA will request in writing that a family member wishing to claim protection under VAWA notify MSHDA within 14 business days.

Additional notice requirements apply in two situations:

- If a criminal record is the basis of a family's termination, the PHA must provide a copy of the record to the subject of the record and the tenant so that they have an opportunity to dispute the accuracy and relevance of the record [24 CFR 982.553(d)(2)].
- If immigration status is the basis of a family's termination, as discussed in section 12-I.D, the special notice requirements in section 16-III.D must be followed.

MSHDA Policy

If, based on a criminal record or sex offender registration information, a participant family appears to be subject to termination, MSHDA will provide the family with a copy of the criminal record as part of the termination notice. The family will be given 15 business days from the date of the termination notice to dispute the accuracy and relevance of the criminal report and/or to request an Informal Hearing. If the family does not dispute the accuracy of the criminal report or does not submit a written request for an Informal Hearing by the deadline provided, the termination becomes final.

PART III: TERMINATION OF TENANCY BY THE OWNER

12-III.A. OVERVIEW

Termination of an assisted tenancy is a matter between the owner and the family; the PHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy. Termination of tenancy for certain reasons will also result in termination of assistance as discussed in this section.

12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY [24 CFR 982.310 , 24 CFR 5.2005(c) and Form HUD-52641-A, Tenancy Addendum

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

Serious or Repeated Lease Violations

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking and the victim is protected from eviction by the Violence against Women Act of 2013 (see section 12-II.E). A

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serious lease violation includes failure to pay rent or other amounts due under the lease. However, the PHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any *covered person* -- meaning any member of the household, a guest, or another person under the tenant's control -- commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100):

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises)
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises
- Any violent criminal activity on or near the premises
- Any drug-related criminal activity on or near the premises.

However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault or stalking, if the tenant or an affiliated individual is the victim, the criminal activity may not be construed as cause for terminating the victim's tenancy (see section 12-II.E).

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or

Violating a condition of probation or parole imposed under federal or state law. The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. This is the case except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, or stalking, and the tenant or an affiliated individual is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking.

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Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, “other good cause” for termination of tenancy by the owner includes:

- Failure by the family to accept the offer of a new lease or revision
- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent)

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

If a property is subject to foreclosure, during the term of the lease, the new owner of the property does not have good cause to terminate the tenant’s lease, unless the new owner will occupy the unit as their primary residence and has provided the tenant with at least a 90-day notice. In that case, the lease may be terminated effective on the date of sale, although the tenant is still entitled to a 90-day notice to vacate. See Chapter 13, Section 13-II.G for a discussion of PHA policies relating to units in foreclosure.

12-III.C. EVICTION [24 CFR 982.310(e) and (f) and Form HUD-52641-A, Tenancy Addendum]

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give the PHA a copy of any eviction notices at the same time the owner notifies the family. The family is also required to give the PHA a copy of any eviction notice (see Chapter 5).

MSHDA Policy

If the eviction action is finalized in court, the owner must provide MSHDA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered eviction.

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12-III.D. DECIDING WHETHER TO TERMINATE TENANCY [24 CFR 982.310(h), 24 CFR 982.310(h)(4)]

An owner who has grounds to terminate a tenancy is not required to do so and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action;
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;
- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, sexual assault or stalking is limited by the Violence against Women Act of 2013 (VAWA) and the conforming regulations in 24 CFR Part 5, Subpart L. (See section 12-II.E.)

12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE

If a termination is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

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EXHIBIT 12-1: STATEMENT OF FAMILY OBLIGATIONS

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that the PHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.

MSHDA Policy

The family must supply all information to MSHDA as it relates to family income and composition for each scheduled reexamination and interim reexamination. This includes reporting all cash contributions/financial assistance received on an ongoing basis from person(s) not living in the household or from any organization to assist with rent payments, utility payments, car payments, phone payments, etc.

- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

MSHDA Policy

MSHDA will consider the family to have breached HQS when:

- tenant-paid utilities were never placed in service
- tenant-paid utilities are no longer in service
- the family obtains tenant-paid utilities in an illegal manor
- the family fails to maintain any appliances that the owner is not required to provide under the lease
- any member of the household or guest damages the dwelling unit beyond normal wear and tear and for which the security deposit does not cover
- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must not commit any serious or repeated violation of the lease.

MSHDA Policy

MSHDA will determine if a family has committed serious and/or repeated violation(s) of the lease based on available evidence, including but not limited to, a court-ordered eviction, or an owner's notice to evict, police reports, and affidavits from the owner, neighbors, or other credible parties with direct knowledge.

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Serious and/or repeated lease violation(s) will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, living or housekeeping habits that cause damage to the unit or premises, and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant and/or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault or stalking will not be construed as serious and/or repeated lease violation(s) by the victim [24 CFR 5.2005(c)(1)].

- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.

MSHDA Policy

The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to MSHDA at the same time the owner is notified.

- The family must promptly give the PHA a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

MSHDA Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. MSHDA will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.
- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (Sections I.K and I.M), and Chapter 11 (Section II.B).
- The family must not sublease the unit, assign the lease, or transfer the unit.

MSHDA Policy

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member. In addition, the family must not allow anyone to use the address of the assisted unit unless they are an approved member of the household. This includes for mail delivery, vehicle registration, driver's license and state ID registration, etc.

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- The family must supply any information requested by the PHA to verify that the family is living in the unit or information related to family absence from the unit.
- The family must promptly notify the PHA when the family is absent from the unit.

MSHDA Policy

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must be provided to MSHDA at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See Chapter 14, Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and PHA policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and PHA policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.

A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]