



# HOUSING CHOICE VOUCHER

**CHAPTER 19** ..... 7  
**SPECIAL PURPOSE VOUCHERS, MSHDA PILOT PROGRAMS, AND INITIATIVES..** 7

    INTRODUCTION ..... 7

**PART I: FAMILY UNIFICATION PROGRAM.....** 8

    19-I.A. PROGRAM OVERVIEW..... 8

*Fact Sheet, Housing Choice Voucher Program Family Unification Program (FUP)]* ..... 8

*Assigning Vouchers* ..... 8

    19-I.B. PUBLIC CHILD WELFARE AGENCY (PCWA)..... 9

*Supportive Services* ..... 9

    19-I.C. FUP FAMILY VOUCHER ELIGIBILITY CRITERIA ..... 10

    19-I.D. FUP YOUTH VOUCHER ELIGIBILITY CRITERIA ..... 11

*Eligibility Criteria*..... 11

    19-I.E. ASSISTANCE PERIOD ..... 12

*Maximum Assistance Period*..... 12

*Extension of Assistance*..... 12

*Statutory Exceptions* ..... 12

*Education, Workforce Development, or Employment Activities* ..... 14

*FSS Enrollment at 24 Months* ..... 16

*FSS Enrollment Between 36 and 48 Months*..... 16

*FSS Enrollment After 48 Months* ..... 17

*Extensions of Assistance* ..... 17

*No FSS Program or Unable to Enroll in FSS*..... 17

*Termination of Assistance for Failure to Meet Conditions*..... 18

    19-I.F. REFERRALS AND WAITING LIST MANAGEMENT ..... 19

*Referrals*..... 19

*Waiting List Placement* ..... 20

*Waiting List Selection*..... 20

    19-I.G. PHA HCV ELIGIBILITY DETERMINATION ..... 20

## CHAPTER 19

<i>Additional FUP Eligibility Factors</i> .....	20
19-I.H. LEASE UP .....	21
19-I.I. TERMINATION OF ASSISTANCE.....	22
<i>General Requirements</i> .....	22
<i>FUP Family Vouchers</i> .....	22
<i>FUP Youth Vouchers</i> .....	22
9-I.J. FUP PORTABILITY .....	23
<i>Considerations for FUP Youth Vouchers</i> .....	23
19-I.K. PROJECT-BASING FUP VOUCHERS.....	23
<b>PART II: FOSTER YOUTH TO INDEPENDENCE INITIATIVE.....</b>	<b>24</b>
19-II.A. PROGRAM OVERVIEW .....	24
19-II.B. PARTNERING AGENCIES .....	24
<i>Public Child Welfare Agency (PCWA)</i> .....	24
<i>Continuum of Care (CoC) and Other Partners</i> .....	25
19-II.C. YOUTH ELIGIBILITY CRITERIA .....	25
19-II.D. SUPPORTIVE SERVICES .....	25
19-II.E. REFERRALS AND WAITING LIST MANAGEMENT .....	26
<i>Referrals</i> .....	26
<i>Waiting List Placement</i> .....	27
<i>Waiting List Selection</i> .....	27
19-II.F. PHA HCV ELIGIBILITY DETERMINATION.....	28
<i>Additional Eligibility Factors</i> .....	28
19-II.G. LEASE UP .....	28
<i>Turnover</i> .....	29
19-II.H. MAXIMUM ASSISTANCE PERIOD .....	29
<i>Extension of Assistance</i> .....	30
<i>Statutory Exceptions</i> .....	30
<i>Education, Workforce Development, or Employment Activities</i> .....	31
<i>FSS Enrollment at 24 Months</i> .....	33
<i>FSS Enrollment Between 36 and 48 Months</i> .....	33

CHAPTER 19

*FSS Enrollment After 48 Months* ..... 33  
*Extensions of Assistance* ..... 34  
*No FSS Program or Unable to Enroll in FSS* ..... 34  
*Verification Prior to Annual Reexam* ..... 34  
*Termination of Assistance for Failure to Meet Conditions* ..... 35

19-II.I. TERMINATION OF ASSISTANCE ..... 36  
19-II.J. PORTABILITY ..... 36  
19-II.K. PROJECT-BASING FYI VOUCHERS ..... 36

**PART III: VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH)..... 37**

19-III.A. PROGRAM OVERVIEW ..... 37  
19-III.B. REFERRALS ..... 38  
19-III.C. HCV PROGRAM ELIGIBILITY ..... 38

*Social Security Numbers* ..... 39  
*Proof of Age* ..... 39  
*Photo Identification* ..... 39  
*Income Eligibility* ..... 39  
*Minimum Rent* ..... 40  
*Screening* ..... 41  
*Denial of Assistance* ..... 41

19-III.D. CHANGES IN FAMILY COMPOSITION ..... 41

*Adding Family Members* ..... 41  
*Remaining Family Members* ..... 41  
*Family Break Up* ..... 42

19-III.E. LEASING ..... 42

*Waiting List* ..... 42  
*Exception Payment Standards* ..... 42  
*Voucher Issuance* ..... 42  
*Special Housing Types* ..... 43  
*Initial Lease Term* ..... 43  
*Ineligible Housing* ..... 43  
*Pre-Inspections* ..... 43

19-III.F. PORTABILITY ..... 44

*General Requirements* ..... 44  
*Portability within the Initial VAMC or DSP’s Catchment Area* ..... 44  
*Portability Outside of the Initial VAMC or DSP’s Catchment Area* ..... 44  
*Portability Outside of the Initial VAMC or DSP’s Catchment Area under VAWA* ..... 45

## CHAPTER 19

19-III.G. TERMINATION OF ASSISTANCE .....	45
<i>Cessation of Case Management</i> .....	45
<i>Serious Violation of the Lease</i> .....	46
<i>VAWA</i> .....	46
19-III.H. PROJECT-BASING VASH VOUCHERS .....	46
<i>General Requirements</i> .....	46
<i>Ineligible Units</i> .....	47
<i>Termination of Assistance</i> .....	47
<i>Moves</i> .....	48
<i>Wrong-Sized or Accessible Units</i> .....	49
<i>Contract Terminations</i> .....	49
<i>Rents</i> .....	49
<i>Removing Units from the HAP Contract for Ineligible Families</i> .....	49
<i>Zero HAP Families</i> .....	50
<i>Proposal/Project Selection</i> .....	50
<i>Failure to Participate in Case Management</i> .....	50
<i>Moves</i> .....	51
<b>PART IV: MAINSTREAM VOUCHER PROGRAM .....</b>	<b>51</b>
19-IV.A. PROGRAM OVERVIEW .....	51
19-IV.B. ELIGIBLE POPULATION .....	52
19-IV.C. PARTNERSHIP AND SUPPORTIVE SERVICES .....	52
19-IV.D. WAITING LIST ADMINISTRATION .....	53
19-IV.E. PREFERENCES .....	53
19-IV.F. VOUCHER ISSUANCE .....	54
<i>INITIAL SEARCH TERM</i> .....	54
<i>Voucher Extension</i> .....	54
19-IV.G. PORTABILITY .....	55
19-IV.H. PROJECT-BASING MAINSTREAM VOUCHERS .....	56
<b>PART V: NON-ELDERLY DISABLED (NED) VOUCHERS .....</b>	<b>56</b>
19-V.A. PROGRAM OVERVIEW .....	56
<i>Designated Housing</i> .....	56
<i>Certain Developments</i> .....	57
<i>One-Year Mainstream Housing Opportunities for Persons with Disabilities (One-Year Mainstream) vouchers</i> .....	57
19-V.B. ELIGIBLE POPULATION .....	57

## CHAPTER 19

<i>General Requirements</i> .....	57
<i>NED Category 2</i> .....	57
19-V.C. WAITING LIST .....	58
<i>General Requirements</i> .....	58
<i>NED Category 2 Referrals</i> .....	58
<i>Reissuance of Turnover Vouchers</i> .....	58
19-V.D. LEASE UP .....	59
<i>Briefings</i> .....	59
<i>Voucher Term</i> .....	59
<i>Special Housing Types</i> .....	60
19-V.E. PORTABILITY .....	60
<b>PART VI: STABILITY VOUCHER PROGRAM.....</b>	<b>60</b>
19-VI.A. PROGRAM OVERVIEW .....	60
19-VI.B. PARTNERING ORGANIZATION .....	61
19-VI.C. REFERRALS .....	61
<i>CoC Referrals</i> .....	62
<i>Referrals from Outside the CoC</i> .....	62
19-VI.D. WAITING LIST .....	63
<i>HCV Waiting List</i> .....	63
<i>SV Waiting List</i> .....	63
<i>HCV Waiting List Preferences</i> .....	63
<i>SV Waiting List Preferences</i> .....	64
19-VI.E. FAMILY ELIGIBILITY .....	64
<i>Referring Agency Determination of Eligibility</i> .....	64
<i>Mandatory Denials</i> .....	64
<i>Permissive Denial</i> .....	65
<i>Self-Certification of Income at Admission</i> .....	66
<i>Recently Conducted Income Determinations</i> .....	66
<i>EIV Income Validation</i> .....	67
<i>Social Security Number and Citizenship Status Verification</i> .....	67
<i>Age and Disability Verifications</i> .....	67
<i>Income Targeting</i> .....	68
19-VI.F. HOUSING SEARCH AND LEASING .....	68

CHAPTER 19

*Initial Voucher Term*..... 68  
*Pre-Inspections* ..... 68  
*Initial Lease Term* ..... 69  
*Portability*..... 69  
*Family Briefing*..... 69

19-VI.G. PAYMENT STANDARDS ..... 70

*Increases in Payment Standards* ..... 70

19-VI.H. PROJECT-BASED UNITS..... 70

**PART VII. MOVING UP PILOT PROGRAM ..... 71**  
**PART VIII. MICHIGAN DEPARTMENT OF CORRECTIONS AND MICHIGAN  
DEPARTMENT OF HEALTH AND HUMAN SERVICES INITIATIVES..... 71**  
**PART IX. STATE INNOVATION MODEL (SIM) AND FREQUENT USERS SYSTEMS  
ENGAGEMENT (FUSE) PILOT ..... 71**  
**PART X: RECOVERY HOUSING PILOT ..... 72**  
**PART XI: HOUSING MOBILITY PILOT PROGRAM ..... 73**

## CHAPTER 19

### CHAPTER 19

#### **SPECIAL PURPOSE VOUCHERS, MSHDA PILOT PROGRAMS, AND INITIATIVES**

##### **INTRODUCTION**

Special purpose vouchers are specifically funded by Congress in separate appropriations from regular HCV program funding in order to target specific populations.

This chapter describes HUD regulations and PHA policies for administering special purpose vouchers, pilot programs, and initiatives. The policies outlined in this chapter are organized into eleven sections, as follows:

Part I: Family Unification Program (FUP)

Part II: Foster Youth to Independence (FYI) program

Part III: Veterans Affairs Supportive Housing (VASH)

Part IV: Mainstream Voucher Program

Part V: Non-Elderly Disabled (NED) Vouchers

Part VI: Stability Voucher Program

Part VII: Moving-Up Pilot

Part VIII: Michigan Department of Corrections (MDOC) and Michigan Department of Health and Human Services (MDHHS) Initiatives

Part IX: State Innovation Model (SIM) and Frequent Users Systems Engagement (FUSE) Pilot

Part X: Recovery Housing Pilot

Part XI: Housing Mobility Pilot Program

Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to special purpose vouchers.

**PART I: FAMILY UNIFICATION PROGRAM**

**19-I.A. PROGRAM OVERVIEW**

**Fact Sheet, Housing Choice Voucher Program Family Unification Program (FUP)]**

**Overview**

The Family Unification Program was authorized by Congress in 1990 to help preserve and reunify families. PHAs that administer the program provide vouchers to two different populations, FUP families and FUP youth.

Families eligible for FUP are families for whom the lack of adequate housing is a primary factor in:

- The imminent placement of the family’s child or children in out-of-home care; or
- The delay in the discharge of the child or children to the family from out-of-home care.

There is no time limitation on FUP family vouchers, and the family retains their voucher as long as they are HCV-eligible. There is no requirement for the provision of supportive services for FUP family vouchers.

Youth eligible for FUP are those who:

- Are at least 18 years old and not more than 24 years of age;
- Have left foster care or will leave foster care within 180 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age 16 and older; and
- Are homeless or at risk of becoming homeless.

FUP youth vouchers are limited by statute to a period between 36 and 60 months of housing assistance. Supportive services must also be provided to FUP-eligible youth by the Public Child Welfare Agency (PCWA) or by another agency or organization under contract with the PCWA for the period of time defined in the notice or Notice of Funding Availability/Opportunity (NOFA/O) for which funding was made available.

PHAs that wish to administer FUP vouchers must apply to HUD by submitting an application under an active Notice of Funding Opportunity (NOFO). While the FUP program is administered in accordance with HCV regulations, the FUP NOFOs issued by HUD provide specific program information and requirements.

In order to administer the program, the PHA must also form a partnership with a local PCWA who is responsible for determining whether the family or youth meets FUP eligibility requirements and referring them to the PHA. Once the referral is received, the PHA is responsible for placing the FUP family or youth on the PHA’s waiting list and determining whether they are eligible to receive assistance under the PHA’s HCV program.

**Assigning Vouchers**

The PHA may, but is not required to, assign a specific number or percentage of FUP vouchers for FUP youths and FUP families.

## CHAPTER 19

Unless the PHA assigns a specific number or percentage of FUP vouchers to a designated FUP population, the PHA must serve any referrals (youths or families) that meet all program eligibility requirements up to the PHA's designated FUP program size.

### MSHDA Policy

MSHDA has not designated any specific number or percentage of FUP vouchers for youths or families. MSHDA will serve all referrals that meet program eligibility requirements, up to MSHDA's FUP voucher allocation.

### **19-I.B. PUBLIC CHILD WELFARE AGENCY (PCWA)**

Families and youth do not apply directly to the PHA for FUP vouchers. They are instead referred by a PCWA with whom the PHA has entered into a Memorandum of Understanding (MOU). The partnering PCWA initially determines whether the family or youth meets the FUP program eligibility requirements listed in 19-I.C. and 19-I.D. and then refers those families or youths to the PHA.

HUD strongly encourages PHAs and PCWAs to make decisions collaboratively on the administration of the program and to maintain open and continuous communication. MDHHS must have a system for identifying FUP-eligible youth within the agency's caseload and for reviewing referrals from a Continuum of Care (COC) if applicable.

### MSHDA Policy

MSHDA has an MOU with the Michigan Department of Health and Human Services (MDHHS) to provide immediate relief to the housing barriers based on FUP-eligible families and youth.

### **Supportive Services**

The PCWA must provide supportive services for the period of time defined in the notice or NOFA/O for which the funding was made available to all FUP-eligible youth regardless of their age. The MOU between the PHA and MDHHS should identify the period of time in which supportive services will be provided.

### MSHDA Policy

MSHDA and MDHHS will offer supportive services for all FUP youth for a period of 36 months.

Supportive services may be provided to FUP-eligible youth by MDHHS or by another agency or organization under agreement or contract with MDHHS, including the PHA. The organization providing the services and resources must be identified in the MOU. The following services must be offered:

- Basic life skills information or counseling on money management, use of credit, housekeeping, proper nutrition or meal preparation, and access to health care (e.g., doctors, medication, and mental and behavioral health services);
- Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance or referrals for assistance on security deposits, utility hook-up fees, and utility deposits;

## CHAPTER 19

- Providing such assurances to owners of rental property as are reasonable and necessary to assist a FUP-eligible youth to rent a unit with a FUP voucher;
- Job preparation and attainment counseling (where to look and how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
- Educational and career advancement counseling regarding attainment of general equivalency diploma (GED), or attendance or financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.

### MSHDA Policy

Additional supportive services will not be offered.

A FUP-eligible youth cannot be required to participate in these services as a condition of receipt of the FUP voucher.

### **19-I.C. FUP FAMILY VOUCHER ELIGIBILITY CRITERIA**

FUP family assistance is reserved for eligible families that MDHHS has certified are a family for whom a lack of adequate housing is a primary factor in:

- The imminent placement of the family's child or children in out-of-home care, or
- The delay in the discharge of the child or children to the family from out-of-home care.

*Lack of adequate housing* means the family meets any one of the following conditions:

- Living in substandard housing, which refers to a unit that meets any one of the following conditions:
  - Does not have operable indoor plumbing
  - Does not have a usable flush toilet inside the unit for the exclusive use of a family or youth
  - Does not have a usable bathtub or shower inside the unit for the exclusive use of a family or youth
  - Does not have electricity, or has inadequate or unsafe electrical service
  - Does not have a safe or adequate source of heat
  - Should, but does not, have a kitchen
  - Has been declared unfit for habitation by an agency or unit of government, or in its present condition otherwise endangers the health, safety, or well-being of the family or youth
  - Has one or more critical defects, or a combination of intermediate defects in sufficient number or to the extent that it requires considerable repair or rebuilding. The defects may result from original construction, from continued neglect or lack of repair, or from serious damage to the structure
- Being homeless as defined in 24 CFR 578.3

## CHAPTER 19

- Living in a unit where the presence of a household member with certain characteristics (i.e., conviction for certain criminal activities) would result in the imminent placement of the family's child or children in out-of-home care, or the delay in the discharge of the child or children to the family from out-of-home care
- Living in housing not accessible to the family's disabled child or children due to the nature of the disability
- Living in an overcrowded unit, which is defined as living in a unit where one of the following conditions has been met:
  - The family is separated from its child or children and the parents are living in an otherwise standard housing unit, but, after the family is reunited, the parents' housing unit would be overcrowded for the entire family and would be considered substandard; or
  - The family is living with its child or children in a unit that is overcrowded for the entire family and this overcrowded condition may result, in addition to other factors, in the imminent placement of its child or children in out-of-home care.
  - For purposes of this definition, the determination as to whether the unit is overcrowded is made in accordance with the PHA subsidy standards in Chapter 5, Part III of this policy.

Since HUD does not define *imminent placement*, the partnering PCWA may use its discretion to determine whether the potential out of home placement of the family's child or children is imminent [FUP FAQs].

**Residency preference:** A PHA may not apply any residency preference to FUP voucher applicants.

### 19-I.D. FUP YOUTH VOUCHER ELIGIBILITY CRITERIA

While FUP family vouchers operate as regular HCVs after the family is referred from PCWA, there are several aspects of the FUP youth vouchers that make them distinct from the FUP family vouchers and from regular HCVs.

#### Eligibility Criteria

A FUP-eligible youth is a youth PWCA has certified:

- Is at least 18 years old and not more than 24 years of age (has not yet reached their 25<sup>th</sup> birthday);
  - The FUP youth must be no more than 24 years old at the time PWCA certifies them as eligible and at the time of HAP contract execution.
- Has left foster care or will leave foster care within 180 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act;
  - Foster care placement can include, but is not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, childcare institutions, and pre-adoptive homes in accordance with 24 CFR 5.576.
- Is homeless or at risk of becoming homeless at age 16 or older;  
*At risk of being homeless* is fully defined at 24 CFR 576.2.

## CHAPTER 19

- This includes a person that is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution).
- Therefore, youth being discharged from an institution may be eligible for a FUP voucher [FUP FAQs].
- Has an annual income at or below 30 percent of area median income; and
- Does not have sufficient resources or support networks (e.g., family, friends, faith-based or other social networks) immediately available to prevent them from moving to a supervised publicly or privately operated shelter designed to provide temporary living arrangements.

### **19-I.E. ASSISTANCE PERIOD [FR Notice 1/24/22]**

#### **Maximum Assistance Period**

Although there is no time limit on FUP family vouchers, FUP youth vouchers are limited by statute. Unless the FUP youth meets an exception outlined below, after 36 months of assistance, the FUP youth voucher must be terminated. However, any period of time for which no subsidy (HAP) is being paid on behalf of the youth does not count toward the 36-month limitation.

If the FUP youth does meet the requirements outlined below, the statutory limit on FUP assistance is a total of 60 months of FUP voucher assistance [FR Notice 1/24/22].

#### **Extension of Assistance**

FUP youth who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit (for a total of 60 months of assistance).

While FUP youth cannot be required to participate in the Family Self-Sufficiency (FSS) program as a condition of receipt of assistance, an eligible youth who participates in the FSS program and is in compliance with the applicable terms and conditions of the program is entitled to receive assistance for up to an additional 24 months.

A FUP youth must accept an FSS slot if it is offered to them prior to the 36-month mark in order to receive an extension of assistance (unless the youth meets one of the statutory exceptions described below).

#### MSHDA Policy

The FSS Program will be offered to all FUP eligible families and FUP-eligible youth during their initial briefing session. In addition, the program will be marketed to them throughout their participation and during Annual Re-Examinations. All FUP-eligible families and FUP-eligible youth will be given priority placement on the FSS waiting list, if applicable.

#### **Statutory Exceptions**

A FUP youth will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit without participating in the PHA's FSS program if they certify that they meet one of the exceptions below:

## CHAPTER 19

- The FUP youth is a parent or other household member responsible for the care of a dependent child under the age of six or for the care of an incapacitated individual.

### MSHDA Policy

MSHDA defines *incapacitated individual* as an individual who is impaired by reason of mental illness, mental deficiency, physical illness or disability, chronic use of drugs, chronic intoxication, or other cause, not including minority, to the extent of lacking sufficient understanding or capacity to make or communicate informed decisions.

MSHDA will apply this exception in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with the statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a PHA-provided form. This certification is the only documentation that the FUP youth must submit to verify they are:

- a parent or
- responsible for the care of a dependent child under the age of six or
- responsible for the care of an incapacitated individual.

The child or incapacitated individual is not required to reside in the household for the youth to certify they meet this exception. For example, a child in a joint custody arrangement under the age of six who resides in the household only part-time may qualify the youth for this exception.

The FUP youth is a person who is regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program.

### MSHDA Policy

MSHDA will define *regular and active participation* in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with the statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a PHA-provided form.

This certification is the only documentation that the FUP youth must submit to verify active participation in a drug addiction or alcohol treatment and rehabilitation program.

- The FUP youth is a person who is incapable of complying with the requirement to participate in a FSS program as described above or engage in education, workforce development, or employment activities as described below, as applicable, due to a documented medical condition.

### MSHDA Policy

MSHDA will apply this requirement in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a PHA-provided form.

## CHAPTER 19

This certification is the only documentation that the FUP youth must submit to verify they are a person who is incapable of complying with the requirement to participate in a FSS program or engage in education, workforce development, or employment activities, due to a documented medical condition.

A FUP youth that meets one of the above exceptions must still be offered an opportunity to enroll in the PHA's FSS program (if it is available to them) and receive any supportive services available to FUP youth. A FUP youth may choose to participate in an FSS program or engage in education, workforce development, or employment activities, even if they meet one of the above statutory exceptions.

### **Education, Workforce Development, or Employment Activities**

If a PHA that carries out an FSS program is unable to offer a FUP youth an FSS slot during their first 36 months of receiving FUP youth assistance, the youth is considered to have been “unable to enroll” in the program and may have their voucher extended by meeting the education, workforce development, or employment criteria described below:

- The youth was engaged in obtaining a recognized postsecondary credential or a secondary school diploma or its recognized equivalent.

#### MSHDA Policy

MSHDA will use the definitions of recognized postsecondary credential and secondary school diploma or its recognized equivalent under the Workforce Innovation and Opportunity Act (WIOA). WIOA defines a recognized postsecondary credential as:

- a credential consisting of an industry-recognized certificate or certification,
- a certificate of completion of an apprenticeship,
- a license recognized by the state involved or federal government, or
- an associate or baccalaureate degree (29 U.S.C. 3102).

Examples of a recognized postsecondary credential include, but are not limited to:

- an associate's degree,
- bachelor's degree,
- occupational licensure, or
- occupational certification (see U.S. Department of Labor, Training and Employment Guidance Letter No. 10-16, Change 1).

For the purpose of WIOA, the U.S. Department of Labor defines a *secondary school diploma or its recognized equivalent* as a secondary school diploma (or alternate diploma) that is recognized by a state and that is included for accountability purposes under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by Every Student Succeeds Act (ESSA). A secondary school equivalency certification signifies that a student has completed the requirement for a high school education. Examples of a secondary school diploma or its recognized equivalent include, but are not limited to:

## CHAPTER 19

- obtaining certification of attaining passing scores on a state-recognized high school equivalency test,
  - earning a secondary school diploma or state-recognized equivalent, or
  - obtaining certification of passing a state-recognized competency-based assessment.
- The youth was enrolled in an *institution of higher education*, as such term is defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) or an institution that meets the definition of a *proprietary institution of higher education* or a *postsecondary vocational institution* under sections 102(b)(1) and (c)(1) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)(1) and (c)(1)), respectively.

### MSHDA Policy

The youth must be enrolled in education activities on at least a half-time basis, as defined by the institution that they attend. However, MSHDA may make exceptions to this requirement if the youth is unable to enroll in a sufficient number of classes due to a lack of course offerings by the educational institution where the youth is enrolled.

- The youth was participating in a career pathway, as such term is defined in Section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102). The term *career pathway* means a combination of rigorous and high-quality education, training, and other services that:
  - Aligns with the skill needs of industries in the economy of the state or regional economy involved;
  - Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an *apprenticeship*, except in section 3226 of this title);
  - Includes counseling to support an individual in achieving the individual’s education and career goals;
  - Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
  - Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
  - Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential; and
  - Helps an individual enter or advance within a specific occupation or occupational cluster.
- The youth was employed.

## CHAPTER 19

### MSHDA Policy

MSHDA will consider the youth to be employed if they work a minimum of 20 hours per week. MSHDA may make exceptions to this requirement if the youth's hours are reduced due to circumstances beyond their control or the youth must temporarily reduce their work hours due to a verified family emergency.

### **FSS Enrollment at 24 Months**

If the FUP youth has not been provided an opportunity to enroll in the FSS program during the first 24 months of FUP assistance, HUD encourages the PHA to remind the youth at the 24-month reexamination of the education, workforce development, and employment requirements described above so that the youth has enough time to meet these requirements prior to the expiration of the 36-month time period for FUP assistance.

### MSHDA Policy

If the FUP youth has not been provided with an opportunity to enroll in the FSS program during the first 24 months of FUP assistance, MSHDA will remind the youth at their second regular reexamination of the education, workforce development, and employment requirements described above.

### **FSS Enrollment Between 36 and 48 Months**

If an FSS slot becomes available between the 36-month and 48-month mark:

- The PHA must offer the slot to a FUP youth who had their voucher extended based on meeting the education, workforce development, or employment requirement listed above, or one of the statutory exceptions listed above (even if the youth previously declined an FSS slot because they met one of the statutory exceptions).
- The PHA must work with the youth to determine whether enrollment in FSS is feasible and in their best interest given any education, workforce development, or employment activities that the youth is engaged in and any statutory exceptions that apply to the youth, as well as the remaining time on their voucher.
- If the FUP youth accepts the FSS slot, the PHA must work with the youth to establish Contract of Participation goals and an Individual Training and Services Plan (ITSP) that can be accomplished within the time period left on the voucher.

If the FUP youth is offered an FSS slot prior to the 36-month mark, the youth:

- Will be required to enroll in the FSS program in order to receive an extension of assistance at the end of the 36-month time period (unless they meet one of the statutory exceptions described above).
- Will not be considered to have been "unable to enroll" in the FSS program as described above, and as a result, will not be eligible to receive an extension of assistance based on meeting the education, workforce development, or employment requirements described above.

## CHAPTER 19

### **FSS Enrollment After 48 Months**

The PHA may, but is not required to, offer a FUP youth an FSS slot that becomes available between the 48-month mark and the 60-month mark, since the youth will have already received their second and final extension.

#### MSHDA Policy

If an FSS slot becomes available between the 48 and 60-month marks, MSHDA will not offer the FSS slot to a FUP youth.

### **Extensions of Assistance**

At the 36-month and 48-month reexamination, the PHA must extend FUP youth assistance if the youth is participating in and in compliance with the FSS program as long as the youth is still eligible for the HCV program.

In any case, the FUP youth cannot receive more than a total of 60 months of FUP youth voucher assistance, even if the FSS Contract of Participation time period extends beyond the voucher 60-month mark.

### **No FSS Program or Unable to Enroll in FSS**

If a PHA does not carry out an FSS program or the FUP youth has been unable to enroll in the program during the first 36 months of receiving FUP assistance, the FUP youth is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that the youth engaged in at least one of the education, workforce development, or employment activities described above for not less than nine months of the 12-month period preceding each extension. In order to meet the nine months out of the preceding 12 months requirement, the youth may have engaged in one of the education, workforce development, or employment activities described above or a combination of these activities.

#### Verification Prior to Annual Reexam

In order to provide an extension of assistance, the PHA must verify compliance with the above requirements at the end of the 36-month time period and the 48-month time periods. The PHA does not need to verify compliance with these requirements at the end of the 60-month time period since the maximum length of assistance is 60 months.

To verify compliance with the education, workforce development, or employment requirement or one of the statutory exceptions, the PHA must provide the FUP youth with written notification informing them that they may receive an extension of their FUP assistance and providing instructions on how the youth may demonstrate that they meet one of these conditions. This notification must be provided sufficiently in advance of the end of the 36-month or 48-month time periods, as applicable, to allow the FUP youth to demonstrate that they meet the education, workforce development, or employment requirement, or one of the statutory exceptions, and for the PHA to conduct an annual reexamination prior to the expiration of the FUP assistance.

#### MSHDA Policy

MSHDA will verify compliance with the education, workforce development, or employment requirement, or one of the statutory exceptions, at the end of the 36-month and 48-month time periods prior to the FUP youth's scheduled annual reexamination. MSHDA will not verify compliance at the end of the 60-month time period.

## CHAPTER 19

MSHDA will provide each FUP youth on MSHDA's program with a written notification informing them that they may receive an extension of their FUP assistance if they meet conditions outlined in this chapter and providing them with instructions on how they may demonstrate compliance at least 60 days prior to their scheduled annual reexamination date.

MSHDA will use the following verification methods to verify a FUP youth's eligibility for voucher extensions:

- To verify compliance with the FSS requirement, MSHDA will examine its records to confirm, or obtain confirmation from MSHDA's FSS program staff, that the FUP youth participant is in compliance with FSS program requirements and has not been terminated from the FSS program.
- To verify compliance with the education, workforce development, or employment requirement, MSHDA will verify that the FUP youth was engaged in at least one education, workforce development, or employment activity for at least nine months of the 12-month period immediately preceding the end of 36-month or 48-month time period, as applicable.

Due to the timing of when MSHDA verifies compliance and conducts the annual reexamination, the FUP youth may have not yet met the nine-month requirement but may be able to demonstrate that they will meet the nine-month requirement as of the end of the 36-month or 48-month time period. In such cases, the FUP youth will still be considered to have met the requirements.

In order for the FUP youth to meet one of the statutory exceptions described above, the youth must submit a certification to MSHDA that they meet one of these exceptions. This certification is the only documentation that the FUP youth must submit in order to demonstrate that they meet one of the statutory exceptions.

A FUP youth who received an extension of voucher assistance at the end of the 36-month time period based on meeting one of the conditions described in this chapter does not have to meet the same conditions when they reach the end of the 48-month time period. The FUP youth may demonstrate that they meet a different condition in order to receive an extension of their assistance.

If the MSHDA determines that the youth meets one of the statutory conditions, MSHDA will conduct an annual reexamination. If the annual reexamination determines that the youth is still eligible for the HCV program, MSHDA must provide the FUP youth with the extension of voucher assistance.

### **Termination of Assistance for Failure to Meet Conditions**

Failure of the FUP youth to meet one of the above conditions will only impact their ability to receive subsequent extensions of assistance. It will not serve as a basis for terminating the FUP assistance prior to the annual reexam.

If the FUP youth does not meet any of the conditions described in this chapter, the youth is subject to the statutory time limit of 36 months or the time limit of any extension that the youth has already received, and the FUP youth voucher must be terminated once the youth reaches this time limit.

## CHAPTER 19

The calculation of the time limit begins from the date the first HAP contract is signed (for tenant-based vouchers) or from the date the youth entered into the initial lease agreement (for project-based vouchers). The number of months is calculated based on the number of months that HAP subsidy is being paid on behalf of the youth, not the number of months that the youth is in the FUP youth program. Prior to termination, the PHA must offer the FUP youth the opportunity to request an informal hearing, in accordance with Chapter 16.

### 19-I.F. REFERRALS AND WAITING LIST MANAGEMENT

#### Referrals

The PCWA must establish and implement a system to identify FUP-eligible families and youths within the agency's caseload and make referrals to the PHA.

The PCWA must certify that the FUP applicants they refer to the PHA meet FUP eligibility requirements. The PHA is not required to maintain full documentation that demonstrates the family's or youth's FUP eligibility as determined by the PCWA but should keep the referral or certification from the PCWA.

#### MSHDA Policy

As part of the MOU, MSHDA and MDHHS have identified staff positions to serve as lead FUP liaisons.

These positions will be responsible for transmission and acceptance of FUP referrals. MDHHS must commit sufficient staff and resources to ensure eligible families and youths are identified and determined eligible in a timely manner.

When FUP vouchers are available, the MSHDA liaison responsible for acceptance of referrals will contact the MDHHS FUP liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than 10 business days from the date MDHHS receives this notification, the MDHHS liaison will provide MSHDA with a list of eligible referrals including:

- the name, address, and contact phone number for each adult individual who is being referred;
- a completed MSHDA-FUP 323 Family Unification Program Authorization for Release of Information; and
- a completed MSHDA-FUP 531 Certification of Eligibility Family Unification Program for each referral indicating the youth or family is FUP-eligible.

MSHDA will maintain a copy of the release and the certification from MDHHS in the participant's file along with other eligibility paperwork.

A PHA must serve any referrals (youths or families) that meet all program eligibility requirements. If a PHA determines that it has received a sufficient number of referrals from the PCWA so that the PHA will be able to lease all FUP vouchers awarded, the PHA may request that the PCWA suspend transmission of referrals. If the PHA determines that additional referrals will be needed after it has made such a request, the PHA may request that the PCWA resume transmission of referrals [Notice PIH 2011-52].

### **Waiting List Placement**

A family that is already participating in the regular HCV program cannot be transferred to a FUP voucher.

Once a referral is made, the PHA must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA's referral list are already on the PHA's HCV waiting list. Applicants already on the PHA's HCV waiting list retain the order of their position on the list. Applicants not already on the PHA's HCV waiting list must be placed on the HCV waiting list.

If the PHA's HCV waiting list is closed, the PHA must open its HCV waiting list in order to accept new FUP applicants.

If necessary, the PHA may open its waiting list solely for FUP applicants, but this information must be included in the PHA's notice of opening its waiting list (see section 4-II.C., Opening and Closing the Waiting List of this administrative plan).

#### MSHDA Policy

MDHHS will identify FUP-eligible families and youth and certify eligibility for participation in the FUP program. MDHHS will obtain a signed release of information form and complete the necessary application information to refer eligible families and youth to MSHDA.

Within 10 business days of receiving the referral from MDHHS, MSHDA will review the HCV waiting list, and referrals who are already on the list will retain their position.

### **Waiting List Selection**

The PHA selects FUP-eligible families or youths based on the PHA's regular HCV waiting list selection policies in Chapter 4, including any preferences that may apply.

### **19-I.G. PHA HCV ELIGIBILITY DETERMINATION**

Once a FUP-eligible family or youth is selected from the HCV waiting list, the PHA must determine whether the family or youth meets HCV program eligibility requirements. Applicants must be eligible under both FUP family or youth eligibility requirements, as applicable, and HCV eligibility requirements as outlined in Chapter 3 of this policy.

The PCWA may, but is not obligated to, provide information to the PHA on the family's criminal history.

#### MSHDA Policy

MSHDA will make eligibility determinations in accordance with the MSHDA's policies in Chapter 3, Part III.

### **Additional FUP Eligibility Factors**

For FUP family vouchers, the family must remain FUP-eligible through lease-up.

- If, after a family is referred to the PHA but prior to issuing a family FUP voucher, the PHA discovers that the lack of adequate housing is no longer a primary factor for the family not reunifying, the FUP voucher may not be issued to the family.

## CHAPTER 19

- Similarly, if the FUP voucher has already been issued before the PHA discovers that the reunification will not happen, but the family has not yet leased up under the voucher, the PHA must not execute the HAP contract, as the family is no longer FUP-eligible.

FUP-eligible youth must be no more than 24 years old both at the time of PCWA certification and at the time of the HAP execution. If a FUP youth is 24 at the time of PCWA certification but will turn 25 before the HAP contract is executed, the youth is no longer eligible for a FUP youth voucher.

### MSHDA Policy

Any applicant that does not meet the eligibility criteria for the HCV program listed in Chapter 3, or any eligibility criteria listed in this section, will be notified by MSHDA in writing following policies in Section 3-III.F.. The notification will state the reasons the applicant was found ineligible and provide an opportunity for an informal review.

### **19.I.H. LEASE UP [FR Notice 1/24/22]**

Once the PHA determines that the family or youth meets HCV eligibility requirements, the family or youth will be issued a FUP voucher in accordance with PHA policies.

During the family briefing, PHAs must inform the FUP youth of:

- The extension of assistance provisions and requirements;
- The availability of the FSS program and offer them an FSS slot, if available, or offer to place them on the FSS waiting list (provided the PHA has an FSS program); and
- Supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services. However, participation in supportive services cannot be required as a condition of receiving FUP youth assistance.

### MSHDA Policy

Eligible applicants will be notified by MSHDA in writing following policies in Section 3-III.F. of this administrative plan. FUP families will attend a standard HCV briefing in accordance with MSHDA policies in Part I of Chapter 5 of this administrative plan. FUP youth will be briefed individually.

MSHDA will provide all aspects of the written and oral briefing as outlined in Part I of Chapter 5 but will also provide an explanation of the required items listed above, as well as discussing any supportive services offered by MDHHS.

For both FUP youth and FUP families, vouchers will be provided with an initial search term of 120 days, with extension polices in accordance with MSHDA policies in Chapter 5 Part II, except at noted below:

- MSHDA will approve the first extension request, whether it is written or oral, if made on or before the term expiration date. Subsequent determinations for voucher extensions should follow MSHDA policies in Chapter 5 Part II, with the exception that each extension must be for a minimum of 90 days.

## CHAPTER 19

- MSHDA will, on at least one occasion after voucher issuance, notify the applicant prior to the initial term expiration to remind them of the term expiration date, the process for requesting an extension, and to inquire if the applicant needs assistance with their housing search.

Once the family or youth locate a unit, the PHA conducts all other processes relating to voucher issuance and administration per HCV program regulations and the PHA's policies (including, but not limited to: NSPIRE inspections, determination of rent reasonableness, etc.).

### 19-I.I. TERMINATION OF ASSISTANCE

#### General Requirements

With the exception of terminations of assistance for FUP youth after the statutorily required time period, terminations of FUP assistance are handled in the same way as the regular HCV program. Termination of a FUP voucher must be consistent with regulations for termination in 24 CFR Part 982, Subpart L and be in compliance with PHA policies (Chapter 12).

If the person who qualifies for the FUP voucher passes away, the family retains the FUP voucher. In the case of a FUP-youth voucher, assistance will terminate after the statutorily required time period, even if the FUP-eligible youth is no longer included in the household.

If the person who qualifies for the FUP voucher moves, the remaining family members may keep the FUP voucher based on PHA policy (see administrative plan, Section 3-I.C., Family Breakup and Remaining Member of Tenant Family).

#### FUP Family Vouchers

If parents lose their parental rights or are separated from their children after voucher lease-up (or their children reach adulthood), the family is still eligible to keep their FUP assistance, as the regulations do not permit HCV termination for a family losing parental rights or the children reaching adulthood. However, the PHA may transfer the assistance of a FUP family voucher holder to regular HCV assistance if there are no longer children in the household.

#### MSHDA Policy

MSHDA may elect to transfer the assistance of a FUP family voucher holder to regular HCV assistance if:

- the children in the household have been permanently removed from the family and there is no prospect of any minor child being returned to the household, or
- the children have reached 18 years of age and are not full-time students.

If the MSHDA has no regular HCV vouchers available at the time this determination is made, including if no vouchers are available due to lack of funding, MSHDA will issue the family the next available regular HCV voucher after depleting the waiting list of families residing in PBV units who have been placed on the PBV Move List.

#### FUP Youth Vouchers

A PHA cannot terminate a FUP youth's assistance for noncompliance with PCWA case management, nor may the PHA terminate assistance for a FUP youth for not accepting services from the PCWA.

## CHAPTER 19

The PHA may not transfer the assistance of a FUP youth voucher holder to regular HCV assistance upon the expiration of the statutorily required time period.

However, the PHA may issue a regular HCV to FUP youth if they were selected from the waiting list in accordance with PHA policies and may also adopt a preference for FUP youth voucher holders who are being terminated for this reason.

### MSHDA Policy

MSHDA will not provide a selection preference on MSHDA's HCV waiting list for FUP youth who are terminated due to the time limit on assistance.

Upon the expiration of the statutorily required time period, a FUP youth voucher holder who has children and who lacks adequate housing may qualify for a FUP family voucher provided they are referred by the PCWA as an eligible family and meet the eligibility requirements for the PHA's HCV program.

### **9-I.J. FUP PORTABILITY**

Portability for a FUP family or youth is handled in the same way as for a regular HCV family. A PHA may not restrict or deny portability for a FUP family or youth for reasons other than those specified in the HCV program regulations, as reflected in Chapter 10 of the administrative plan.

A FUP family or youth does not have to port to a jurisdiction that administers FUP.

If the receiving PHA administers the FUP voucher on behalf of the initial PHA, the voucher is still considered a FUP voucher regardless of whether the receiving PHA has a FUP program.

If the receiving PHA absorbs the voucher, the receiving PHA may absorb the incoming port into its FUP program (if it has one) or into its regular HCV program (if the receiving PHA has vouchers available to do so) and the family or youth become regular HCV participants. In either case, when the receiving PHA absorbs the voucher, a FUP voucher becomes available to the initial PHA.

### **Considerations for FUP Youth Vouchers**

If the voucher is a FUP youth voucher and remains such upon lease-up in the receiving PHA's jurisdiction, termination of assistance must still take place once the youth has received assistance for the statutorily required time period. If the receiving PHA is administering the FUP youth voucher on behalf of the initial PHA, the two PHAs must work together to initiate termination upon expiration of the statutorily required time period.

### **19-I.K. PROJECT-BASING FUP VOUCHERS**

**[Notice PIH 2017-21; FR Notice 5/7/24; 24 CFR 983.6(d)(2); 983.54(c); 983.262(c) and (e); and FR Notice 1/24/22]**

The PHA may project-base FUP vouchers without HUD approval in accordance with all statutory and regulatory requirements for the PBV program. See Chapter 17 for PHA policies related to project-basing FUP vouchers.

**PART II: FOSTER YOUTH TO INDEPENDENCE INITIATIVE**

**19-II.A. PROGRAM OVERVIEW**

**[Notice PIH 2020-28; Notice PIH 2023-0404; FR Notice 1/24/22]**

The Foster Youth to Independence (FYI) initiative was announced in 2019. The FYI initiative allows PHAs who partner with a Public Child Welfare Agency (PCWA) to request targeted HCVs to serve eligible youth with a history of child welfare involvement that are homeless or at risk of being homeless. Rental assistance and supportive services are provided to qualified youth for a period of between 36 and 60 months. The PHA must have an existing ACC with HUD for HCVs.

Funding is available either competitively through an FYI NOFA or noncompetitively on a rolling basis in accordance with the application requirements outlined in Notice PIH 2020-28, Notice PIH 2021-26, or Notice PIH 2023-04, as applicable. Under the noncompetitive process, PHAs are limited to 25 vouchers in a fiscal year with the ability to request additional vouchers. Where the PHA has a combined FYI and/or FUP size of no more than 10 vouchers, the PHA may request FYI vouchers with at least 50 percent utilization of its FUP and/or FYI vouchers.

Where the PHA has a combined FYI and/or FUP size of 11 or more vouchers, the PHA may request FYI vouchers with 90 percent or greater utilization of its FUP and/or FYI vouchers.

PHAs may be eligible for an exception to the utilization criteria with the submission to HUD of a narrative that explains why the PHA does not meet the utilization criteria and requires the award of FYI vouchers.

**19-II.B. PARTNERING AGENCIES [Notice PIH 2023-04; FYI Updates and Partnering Opportunities Webinar]**

**Public Child Welfare Agency (PCWA)**

The PHA must enter into a partnership agreement with a PCWA in the PHA's jurisdiction in the form of a Memorandum of Understanding (MOU) or letter of intent. The minimum contents of the partnership agreement are outlined in Notice PIH 2023-04.

The PCWA is responsible for identifying and referring eligible youth to the PHA and providing or securing a commitment for the provision of supportive services once youth are admitted to the program.

MSHDA Policy

MSHDA has implemented a Foster Youth to Independence (FYI) program in partnership with the Michigan Department of Health and Human Services (MDHHS).

The PCWA is responsible for:

- Identifying FYI-eligible youth;
- Developing a system of prioritization based on the level of need of the youth and the appropriateness of intervention;
- Providing a written certification to the PHA that the youth is eligible; and
- Providing or securing a commitment for the provision of supportive services that are required to be offered.

## CHAPTER 19

### Continuum of Care (CoC) and Other Partners

HUD strongly encourages PHAs to add other partners into the partnership agreement with the PCWA such as state, local, philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates. The CoC plays a role in identifying eligible youth in the community at risk of or experiencing homelessness that are no longer part of the child welfare system. Through the CoC's coordinated entry process, referrals of eligible youth to the PCWA are made based on prioritization of need and appropriateness of the intervention. Further, CoC recipients may provide supportive services using CoC program funds to youth who qualify for CoC program assistance. Youth who are part of the PCWA's active caseload do not have to be added to the CoC's coordinated entry process.

#### MSHDA Policy

In addition to MDHHS, MSHDA has implemented the FYI program in partnership with the Michigan Balance of State Continuum of Care (MIBOSCOC).

### 19-II.C. YOUTH ELIGIBILITY CRITERIA [Notice PIH 2023-04; FYI Q&As; FYI FAQs]

The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. As determined by the PCWA, eligible youth:

- They are at least 18 years of age and not more than 24 years of age (have not yet reached their 25<sup>th</sup> birthday);
  - Youth must be no more than 24 years of age at the time the PCWA certifies them as eligible and at the time of HAP contract execution.
- Have left foster care or will leave foster care within 180 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act; and
  - Placements can include, but are not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, childcare institutions, and pre-adoptive homes in accordance with 24 CFR 5.576;
- Are homeless or at risk of becoming homeless at the age of 16 and older.
  - *At risk of being homeless* is fully defined at 24 CFR 576.2.
    - o This includes a person that is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution). Therefore, youth being discharged from an institution may be eligible for an FYI voucher [FYI FAQs].

Eligibility is not limited to single people. For example, pregnant and/or parenting youth are eligible to receive assistance assuming they otherwise meet eligibility requirements.

PHAs may not exclude pregnant or parenting youth from service.

### 19-II.D. SUPPORTIVE SERVICES

[Notice PIH 2023-04; FYI Updates and Partnering Opportunities Webinar; FYI Q&As]

Supportive services may be provided by the PHA, PCWA, or a third party.

## CHAPTER 19

The PCWA must provide or secure a commitment to provide supportive services for participating youth for the period of time defined in the NOFA/O for which the funding was made available. At a minimum, the following supportive services must be offered:

- Basic life skills information/counseling on money management, use of credit, housekeeping, proper nutrition/meal preparation, and access to health care (e.g., doctors, medication, and mental and behavioral health services);
- Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance/referrals for assistance on security deposits, utility hook-up fees, and utility deposits;
- Providing such assurances to owners of rental property as are reasonable and necessary to assist eligible youth to rent a unit with a voucher;
- Job preparation and attainment counseling (where to look/how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
- Educational and career advancement counseling regarding attainment of general equivalency diploma (GED) or attendance/financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.

### MSHDA Policy

Additional supportive services will be offered through MDHHS and MIBOSCOC.

Since participation in supportive services is optional, but strongly encouraged, an FYI participant may decline supportive services.

Administrative fee reserves may be used to cover costs for the supportive services listed above with HUD approval in accordance with Notice PIH 2022-14 and Notice PIH 2022-18.

## **19-II.E. REFERRALS AND WAITING LIST MANAGEMENT**

**[Notice PIH 20232023-04; FYI Updates and Partnering Opportunities Webinar FYI FAQs]**

### **Referrals**

The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. Once the PCWA sends the PHA the referral certifying the youth is program-eligible, the PHA determines HCV eligibility.

The PCWA must have a system for identifying eligible youth within the agency's caseload and reviewing referrals from other partners, as applicable.

The PCWA must also have a system for prioritization of referrals to ensure that youth are prioritized for an FYI voucher based upon their level of need and appropriateness of the intervention. For youth still involved in the child welfare system, the permanency goals of the young person should be taken into account. Prioritization must be designed in a way that is consistent with fair housing and civil rights requirements.

Referrals may come from other organizations in the community who work with the population, but the PCWA must certify that the youth meets eligibility requirements, unless the PCWA has vested another organization with this authority.

## CHAPTER 19

The PHA is not required to maintain full documentation that demonstrates the youth's eligibility as determined by the PCWA but should keep the referral or certification from the PCWA. The PCWA is not required to provide the PHA with HCV eligibility documents.

### MSHDA Policy

MDHHS must commit sufficient staff and resources to ensure eligible youths are identified, prioritized, and determined eligible in a timely manner.

MSHDA and MDHHS have identified staff positions to serve as lead FYI liaisons. The MDHHS FYI liaisons will be responsible for acceptance of referrals from MDHHS partners and transmission of referrals to MSHDA through the applicant portal. When vouchers are available, the MSHDA liaison will contact the MDHHS liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than 10 business days from the date the MDHHS receives this notification, the MDHHS liaison must:

- enter eligible referrals into the applicant portal and provide MSHDA with a completed MSHDA-FYI 531 Certification of Eligibility and Release of Information for each referral

### **Waiting List Placement [Notice PIH 2023-04 and FYI FAQs]**

The PHA must use the HCV waiting list for the FYI program. Youth already on the HCV program may not be transferred to an FYI voucher since they are not homeless or at-risk of homelessness.

Once a referral is made, the PHA must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA's referral list are already on the PHA's HCV waiting list. Applicants already on the PHA's HCV waiting list retain the order of their position on the list. Applicants not already on the PHA's HCV waiting list must be placed on the HCV waiting list.

If the PHA's HCV waiting list is closed, the PHA must open its HCV waiting list in order to accept new referrals.

The PHA may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants; however, the requirements at 24 CFR 982.206 for giving public notice when opening and closing the waiting list apply (see section 4-II.C., Opening and Closing the Waiting List of this administrative plan).

### MSHDA Policy

MDHHS will identify FYI-eligible applicants and certify eligibility for participation in the FYI program. MDHHS will complete and obtain the required signatures for the MSHDA-FYI 531 Certification of Eligibility and Release of Information and refer eligible families and youth to MSHDA.

### **Waiting List Selection**

The PHA selects eligible youths based on the PHA's regular HCV waiting list selection policies in Chapter 4, including any preferences that may apply.

## CHAPTER 19

**Residency preference:** A PHA may not apply any residency preference to FYI voucher applicants.

### **19-II.F. PHA HCV ELIGIBILITY DETERMINATION**

Once an eligible youth is selected from the HCV waiting list, the PHA must determine whether the youth meets HCV program eligibility requirements. Applicants must be eligible under both FYI eligibility requirements and HCV eligibility requirements as outlined in Chapter 3 of this policy.

The PCWA may, but is not obligated to, provide information to the PHA on the youth's criminal history.

#### MSHDA Policy

MSHDA will make eligibility determinations in accordance with MSHDA's policies in Chapter 3, Part III.

#### **Additional Eligibility Factors**

Youth must be no more than 24 years old both at the time of PCWA certification and at the time of the HAP execution. If a youth is 24 at the time of PCWA certification but will turn 25 before the HAP contract is executed, the youth is no longer eligible for a FYI voucher.

#### MSHDA Policy

Any applicant that does not meet the HCV program eligibility criteria listed in Chapter 3, or any eligibility criteria listed in this section, will be notified by MSHDA in writing.

MSHDA will follow policies in Section 3-III.F, including stating the reasons the applicant was found ineligible and providing an opportunity for an informal review.

### **19-II.G. LEASE UP [FR Notice 1/24/22]**

Once the PHA determines that the family or youth meets HCV eligibility requirements, the youth will be issued an FYI voucher in accordance with PHA policies.

During the family briefing, PHAs must inform the FYI voucher holder of:

- The extension of assistance provisions and requirements;
- The availability of the FSS program and offer them an FSS slot, if available, or offer to place them on the FSS waiting list (provided the PHA has an FSS program); and
- The supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services. However, participation in supportive services cannot be required as a condition of receiving FYI assistance.

#### MSHDA Policy

MSHDA will provide all aspects of the written and oral briefing as outlined in Part I of Chapter 5 but will also provide an explanation of the required items listed above. FYI participants will be provided vouchers with an initial search term of 120 days, with extension policies in accordance with MSHDA policies in Chapter 5 Part II, except as noted below:

- MSHDA will approve the first extension request, whether it is written or oral, if made on or before the term expiration date. Subsequent determinations for voucher

## CHAPTER 19

extensions should follow MSHDA policies in Chapter 5 Part II, with the exception that each extension must be for a minimum of 90 days.

- MSHDA will, on at least one occasion after voucher issuance, notify the applicant prior to the initial term expiration to remind them of the term expiration date, the process for requesting an extension, and to inquire if the applicant needs assistance with their housing search.

Once the youth locates a unit, the PHA conducts all other processes relating to voucher issuance and administration per HCV program regulations and the PHA policy in Chapter 9.

Should a youth fail to use the voucher, the PHA may issue the voucher to another eligible youth if one has been identified [Notice PIH 20232023-04].

### **Turnover [Notice PIH 2023-04]**

When providing education or counseling on renting housing that may include pre-1978 housing, the PHA must inform participating youth of their rights under the Lead Disclosure Rule (24 CFR part 35, subpart A) and the Lead Safe Housing Rule (subparts B, R, and, as applicable, F-M).

Awards of FYI Tenant Protection Vouchers (TPVs) continue to be administered under the requirements of Notice PIH 2019-20.

This includes turnover requirements and the requirement to inform HUD should a youth not use a voucher or leave the program.

For example, FYI TPVs awarded under Notice PIH 2019-20 “sunset” when a youth leaves the program.

This means that the PHA cannot reissue FYI TPV assistance issued under that notice to another youth when an initial youth exits the HCV program. HUD does not have the authority to allow the voucher to be used for a youth other than the one identified in the request.

For awards under Notice PIH 2023-04, if another eligible youth is not available, the PHA must notify HUD before the end of the calendar year, and HUD will reduce the PHA’s HCV assistance to account for the removal of the FYI assistance from the PHA’s HCV baseline.

### MSHDA Policy

MSHDA does not administer FYI vouchers that will sunset under Notice PIH 2019-20.

### **19-II.H. MAXIMUM ASSISTANCE PERIOD [Notice PIH 20232023-04 and FYI FAQs; FR Notice 1/24/22]**

Vouchers are limited by statute to a total of between 36 months and 60 months of housing assistance. At the end of the statutory time period, assistance must be terminated.

However, any period of time for which no subsidy (HAP) is being paid on behalf of the youth does not count toward the limitation. It is not permissible to reissue another FYI TPV to the same youth upon expiration of their FYI assistance.

Participants do not “age out” of the program. A participant may continue with the program until they have received the period of assistance for which they are eligible. Age limits are only applied for entry into the program.

### **Extension of Assistance**

FYI voucher holders who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit (for a total of 60 months of assistance).

While FYI voucher holders cannot be required to participate in the Family Self-Sufficiency (FSS) program as a condition of receipt of assistance, an eligible youth who participates in the FSS program and is in compliance with the applicable terms and conditions of the program is entitled to receive assistance for up to an additional 24 months. FYI voucher holders must accept an FSS slot if it is offered to them prior to the 36-month mark in order to receive an extension of assistance (unless the youth meets one of the statutory exceptions described below).

#### MSHDA Policy

The FSS Program will be offered to all FYI participants during their initial briefing session. In addition, the program will be marketed to them throughout their participation and during Annual Re-Examinations. All FYI participants will be given priority placement on the FSS waiting list, if applicable.

### **Statutory Exceptions**

FYI voucher holders will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit without participating in the PHA's FSS program if they certify that they meet one of the exceptions below:

- The FYI voucher holder is a parent or other household member responsible for the care of a dependent child under the age of six or for the care of an incapacitated person.

#### MSHDA Policy

MSHDA defines *incapacitated individual* as an individual who is impaired by reason of mental illness, mental deficiency, physical illness or disability, chronic use of drugs, chronic intoxication, or other cause, not including minority, to the extent of lacking sufficient understanding or capacity to make or communicate informed decisions. MSHDA will apply this exception in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with the statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a PHA-provided form. This certification is the only documentation that the FYI voucher holder must submit to verify they are:

- a parent or other household member responsible for the care of a dependent child under the age of six or for the care of an incapacitated individual.

The child or incapacitated person is not required to reside in the household in order for the FYI voucher holder to certify they meet this exception. For example, a child in a joint custody arrangement under the age of six who resides in the household only part time may qualify the FYI voucher holder for this exception.

- The FYI voucher holder is a person who regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program.

## CHAPTER 19

### MSHDA Policy

MSHDA will define *regular and active participation* in a manner that provides extensions of FYI voucher holder assistance to the broadest population possible consistent with the statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a PHA-provided form. This certification is the only documentation that the FYI voucher holder must submit to verify active participation in a drug addiction or alcohol treatment and rehabilitation program.

- The FYI voucher holder is a person who is incapable of complying with the requirement to participate in a FSS program as described above or engage in education, workforce development, or employment activities as described below, as applicable, due to a documented medical condition.

### MSHDA Policy

MSHDA will apply this requirement in a manner that provides extensions of FYI voucher holder assistance to the broadest population possible consistent with statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a MSHDA-provided form.

This certification is the only documentation that the FYI voucher holder must submit to verify they are a person who is incapable of complying with the requirement to participate in a FSS program or engage in education, workforce development, or employment activities, due to a documented medical condition.

An FYI voucher holder that meets one of the above exceptions must still be offered an opportunity to enroll in the PHA's FSS program (if it is available to them) and receive any supportive services available to FYI voucher holders. An FYI voucher holder may choose to participate in an FSS program or engage in education, workforce development, or employment activities, even if they meet one of the above statutory exceptions.

### **Education, Workforce Development, or Employment Activities**

If a PHA that carries out an FSS program is unable to offer a FYI voucher holder an FSS slot during their first 36 months of receiving FYI assistance, the FYI voucher holder is considered to have been "unable to enroll" in the program and may have their voucher extended by meeting the education, workforce development, or employment criteria described below:

- The FYI voucher holder was engaged in obtaining a recognized postsecondary credential or a secondary school diploma or its recognized equivalent.

### MSHDA Policy

MSHDA will use the definitions of recognized postsecondary credential and secondary school diploma or its recognized equivalent under the Workforce Innovation and Opportunity Act (WIOA). WIOA defines a recognized postsecondary credential as:

- a credential consisting of an industry-recognized certificate or certification,
- a certificate of completion of an apprenticeship,

## CHAPTER 19

- a license recognized by the state involved or federal government, or
- an associate or baccalaureate degree (29 U.S.C. 3102).

Examples of a recognized postsecondary credential include, but are not limited to:

- an associate's degree,
- bachelor's degree,
- occupational licensure, or
- occupational certification (see U.S. Department of Labor, Training and Employment Guidance Letter No. 10–16, Change 1).

For the purpose of WIOA, the U.S. Department of Labor defines a *secondary school diploma or its recognized equivalent* as a secondary school diploma (or alternate diploma) that is recognized by a state and that is included for accountability purposes under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by Every Student Succeeds Act (ESSA). A secondary school equivalency certification signifies that a student has completed the requirement for a high school education. Examples of a secondary school diploma or its recognized equivalent include, but are not limited to:

- obtaining certification of attaining passing scores on a state-recognized high school equivalency test,
  - earning a secondary school diploma or state-recognized equivalent, or
  - obtaining certification of passing a state-recognized competency-based assessment.
- The FYI voucher holder was enrolled in an *institution of higher education*, as such term is defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) or an institution that meets the definition of a *proprietary institution of higher education* or a *postsecondary vocational institution* under sections 102(b)(1) and (c)(1) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)(1) and (c)(1)), respectively.

### MSHDA Policy

The FYI voucher holder must be enrolled in education activities on at least a half-time basis, as defined by the institution which they attend. However, the MSHDA may make exceptions to this requirement if the FYI voucher holder is unable to enroll in a sufficient number of classes due to a lack of course offerings by the educational institution where they are enrolled.

- The FYI voucher holder was participating in a career pathway, as such term is defined in Section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).
- The FYI voucher holder is employed.

### MSHDA Policy

MSHDA will consider the FYI voucher holder to be employed if they work a minimum of 20 hours per week. MSHDA may make exceptions to this requirement if the FYI voucher holder's hours are reduced due to circumstances beyond their control or the FYI voucher holder must temporarily reduce their work hours due to a verified family emergency.

## CHAPTER 19

### **FSS Enrollment at 24 Months**

If the FYI voucher holder has not been provided with an opportunity to enroll in the FSS program during the first 24 months of FYI assistance, HUD encourages the PHA to remind the FYI voucher holder at the 24-month reexamination of the education, workforce development, and employment requirements described above so that they have enough time to meet these requirements prior to the expiration of the 36-month time period for FYI assistance.

#### MSHDA Policy

If the FYI voucher holder has not been provided with an opportunity to enroll in the FSS program during the first 24 months of FYI assistance, MSHDA will remind the FYI voucher holder at their second regular reexamination of the education, workforce development, and employment requirements described above.

### **FSS Enrollment Between 36 and 48 Months**

If an FSS slot becomes available between the 36-month and 48-month mark:

- The PHA must offer the slot to an FYI voucher holder who had their voucher extended based on meeting the education, workforce development, or employment requirement listed above, or one of the statutory exceptions listed above (even if the FYI voucher holder previously declined an FSS slot because they met one of the statutory exceptions).
- The PHA must work with the FYI voucher holder to determine whether enrollment in FSS is feasible and in their best interest given any education, workforce development, or employment activities that the FYI voucher holder is engaged in and any statutory exceptions that apply to the FYI voucher holder, as well as the remaining time on their voucher.
- If the FYI voucher holder accepts the FSS slot, the PHA must work with them to establish Contract of Participation goals and an Individual Training and Services Plan (ITSP) that can be accomplished within the time period left on the voucher.

If the FYI voucher holder is offered an FSS slot prior to the 36-month mark, the FYI voucher holder:

- Will be required to enroll in the FSS program in order to receive an extension of assistance at the end of the 36-month time period (unless they meet one of the statutory exceptions described above).
- Will not be considered to have been “unable to enroll” in the FSS program, and as a result, will not be eligible to receive an extension of assistance based on meeting the education, workforce development, or employment requirements described above.

### **FSS Enrollment After 48 Months**

The PHA may, but is not required, to offer an FYI voucher holder an FSS slot that becomes available between the 48-month mark and the 60-month mark, since the FYI voucher holder will have already received their second and final extension.

#### MSHDA Policy

If an FSS slot becomes available between the 48 and 60-month marks, MSHDA will not offer the FSS slot to an FYI voucher holder.

## CHAPTER 19

### **Extensions of Assistance**

At the 36-month and 48-month reexamination, the PHA must extend FYI assistance if the FYI voucher holder is participating in and in compliance with the FSS program as long as the FYI voucher holder is still eligible for the HCV program.

In any case, the FYI voucher holder cannot receive more than a total of 60 months of FYI assistance even if the FSS Contract of Participation time period extends beyond the voucher 60-month mark.

### **No FSS Program or Unable to Enroll in FSS**

If a PHA does not carry out an FSS program or the FYI voucher holder has been unable to enroll in the program during the first 36 months of receiving FYI assistance, the FYI voucher holder is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that the FYI voucher holder engaged in at least one of the education, workforce development, or employment activities described above for not less than nine months of the 12-month period preceding each extension.

In order to meet the nine months out of the preceding 12 months requirement, the FYI voucher holder may have engaged in one of the education, workforce development, or employment activities described above or a combination of these activities.

### **Verification Prior to Annual Reexam**

In order to provide an extension of assistance, the PHA must verify compliance with the above requirements at the end of the 36-month time period and the 48-month time periods.

The PHA does not need to verify compliance with these requirements at the end of the 60-month time period since the maximum length of assistance is 60 months.

To verify compliance with the education, workforce development, or employment requirement or one of the statutory exceptions, the PHA must provide the FYI voucher holder written notification informing them that they may receive an extension of their FYI assistance and providing instructions on how the FYI voucher holder may demonstrate that they meet one of these conditions.

This notification must be provided sufficiently in advance of the end of the 36-month or 48-month time periods, as applicable, to allow the FYI voucher holder to demonstrate that they meet the education, workforce development, or employment requirement, or one of the statutory exceptions, and for the PHA to conduct an annual reexamination prior to the expiration of the FYI assistance.

#### MSHDA Policy

MSHDA will verify compliance with the education, workforce development, or employment requirement, or one of the statutory exceptions, at the end of the 36-month and 48-month time periods prior to the FYI voucher holder's scheduled annual reexamination. MSHDA will not verify compliance at the end of the 60-month time period.

MSHDA will provide each FYI voucher holder on MSHDA's program with a written notification informing them that they may receive an extension of their FYI assistance if they meet conditions outlined in this chapter and providing them with instructions on how they may demonstrate compliance at least 60 days prior to their scheduled annual reexamination date.

## CHAPTER 19

MSHDA will use the following verification methods to verify a FYI voucher holder's eligibility for voucher extensions:

- To verify compliance with the FSS requirement, MSHDA will examine its records to confirm, or obtain confirmation from MSHDA's FSS program staff, that the FYI participant is in compliance with FSS program requirements and has not been terminated from the FSS program.
- To meet the education, workforce development, or employment requirement, MSHDA will verify that the FYI voucher holder was engaged in at least one education, workforce development, or employment activity for at least nine months of the 12-month period immediately preceding the end of the 36-month or 48-month time period, as applicable.

Due to the timing of when MSHDA verifies compliance and conducts the annual reexamination, the FYI voucher holder may have not yet met the nine-month requirement but may be able to demonstrate that they will meet the nine-month requirement as of the end of the 36-month or 48-month time period. In such cases, the FYI voucher holder will still be considered to have met the requirements.

In order for the FYI voucher holder to meet one of the statutory exceptions described above, the FYI voucher holder must submit a certification to MSHDA that they meet one of these exceptions. This certification is the only documentation that the FYI voucher holder must submit in order to demonstrate that they meet one of the statutory exceptions.

An FYI voucher holder who received an extension of voucher assistance at the end of the 36-month time period based on meeting one of the conditions described in this chapter does not have to meet the same conditions when they reach the end of the 48-month time period.

The FYI voucher holder may demonstrate that they meet a different condition in order to receive an extension of their assistance.

If the PHA determines that the FYI voucher holder meets one of the statutory conditions, the PHA would then conduct an annual reexamination. If the annual reexamination determines that the FYI voucher holder is still eligible for the HCV program, the PHA must provide the FYI voucher holder the extension of voucher assistance.

### **Termination of Assistance for Failure to Meet Conditions**

Failure of the FYI voucher holder to meet one of the above conditions will only impact their ability to receive subsequent extensions of assistance. It will not serve as a basis for terminating the FYI assistance prior to the annual reexam.

If the FYI voucher holder does not meet any of the statutory conditions described in this chapter, the youth is subject to the statutory time limit of 36 months or the time limit of any extension that the youth has already received, and the FYI voucher must be terminated once they reach this time limit. The calculation of the time limit begins from the date the first HAP contract is signed (for tenant-based vouchers) or from the date the FYI voucher holder entered into the initial lease agreement (for project-based vouchers). The number of months is calculated based on the number of months that HAP subsidy is being paid on behalf of the FYI voucher holder, not the number of months that they are in the FYI program. Prior to termination, the PHA must offer the FYI voucher holder the opportunity to request an informal hearing, in accordance with Chapter 16.

## CHAPTER 19

### 19-II.I. TERMINATION OF ASSISTANCE

Termination of a FYI voucher is handled in the same way as with any HCV; therefore, termination of a FYI voucher must be consistent with HCV regulations at 24 CFR Part 982, Subpart L and PHA policies in Chapter 12. Given the statutory time limit that requires FYI vouchers to sunset, a PHA must terminate the youth's assistance once the limit on assistance has expired.

A PHA cannot terminate a FYI youth's assistance for noncompliance with PCWA case management, nor may the PHA terminate assistance for a FYI youth for not accepting services from the PCWA.

The PHA may not transfer the assistance of FYI voucher holders to regular HCV assistance upon the expiration of the limit on assistance. However, the PHA may issue a regular HCV to FYI voucher holders if they were selected from the waiting list in accordance with PHA policies.

The PHA may also adopt a waiting list preference for FYI voucher holders who are being terminated for this reason.

#### MSHDA Policy

MSHDA will not provide a selection preference on the MSHDA's HCV waiting list for FYI voucher holders who are terminated due to the time limit on assistance.

### 19-II.J. PORTABILITY

Portability for a FYI youth is handled in the same way as for a regular HCV family. A PHA may not restrict or deny portability for an FYI youth for reasons other than those specified in the HCV program regulations, as reflected in Chapter 10 of the administrative plan.

An FYI youth does not have to port to a jurisdiction that administers FYI vouchers.

If the receiving PHA absorbs the voucher, the PHA may absorb the youth into its regular HCV program if it has vouchers available to do so. If the receiving PHA absorbs the youth into its regular HCV program, that youth becomes a regular HCV participant with none of the limitations of an FYI voucher.

The initial and receiving PHA must work together to initiate termination of assistance upon expiration of the time limit on assistance.

### 19-II.K. PROJECT-BASING FYI VOUCHERS [FYI FAQs; FR Notice 1/24/22; Notice PIH 2024-03]

PHAs that have initiated the selection process to project-base FYI and/or FUP vouchers may be eligible to project-base FYI and FUP units formally identified for project basing in accordance with all applicable PBV regulations and PHA policies in Chapter 17. This includes FYI vouchers awarded under Notices PIH 2020-28, PIH 2021-26, and PIH 2023-04. Assistance awarded under Notice PIH 2019-20 is prohibited from being project-based.

#### MSHDA Policy

MSHDA will not project-base FYI vouchers. All FYI vouchers will be used to provide tenant-based assistance.

### PART III: VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH)

#### 19-III.A. PROGRAM OVERVIEW

Since 2008, HCV program funding has provided rental assistance under a supportive housing program for homeless veterans. The Veterans Affairs Supportive Housing (VASH) program combines HCV rental assistance with case management and clinical services provided by the Department of Veterans Affairs (VA) at VA medical centers (VAMCs) and Community-Based Outpatient Clinics (CBOCs), or through a designated service provider (DSP) as approved by the VA Secretary. Eligible families are homeless veterans and their families that agree to participate in VA case management and are referred to the VAMC's partner PHA for HCV assistance. The VAMC or DSP's responsibilities include:

- Screening homeless veterans to determine whether they meet VASH program participation criteria;
- Referring homeless veterans to the PHA;
  - The term *homeless veteran* means a veteran who is homeless (as that term is defined in subsection (a) or (b) of Section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302)). See 38 U.S.C. 2002.
- Providing appropriate treatment and supportive services to potential VASH participants, if needed, prior to PHA issuance of a voucher;
- Providing housing search assistance to VASH participants;
- Identifying the social service and medical needs of VASH participants, and providing or ensuring the provision of regular ongoing case management, outpatient health services, hospitalization, and other supportive services as needed throughout the veterans' participation period; and
- Maintaining records and providing information for evaluation purposes, as required by HUD and the VA.

VASH vouchers are awarded noncompetitively based on geographic need and PHA administrative performance. Eligible PHAs must be located within the jurisdiction of a VAMC and in an area of high need based on data compiled by HUD and the VA. When Congress funds a new allocation of VASH vouchers, HUD invites eligible PHAs to apply for a specified number of vouchers.

Generally, the HUD-VASH program is administered in accordance with regular HCV program requirements. However, HUD is authorized to waive or specify alternative requirements to allow PHAs to effectively deliver and administer VASH assistance. Alternative requirements are established in the HUD-VASH Operating Requirements, which were originally published in the Federal Register on May 6, 2008, and updated September 27, 2021., and then again in 2024. Unless expressly waived by HUD, all regulatory requirements and HUD directives regarding the HCV program requirements are applicable to VASH vouchers, including the use of all HUD-required contracts and other forms, and all civil rights and fair housing requirements. In addition, the PHA may request additional statutory or regulatory waivers that it determines are necessary for the effective delivery and administration of the program.

The VASH program is administered in accordance with applicable Fair Housing requirements since civil rights requirements cannot be waived under the program.

## CHAPTER 19

These include applicable authorities under 24 CFR 5.105(a) and 24 CFR 982.53 including, but not limited to, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the Age Discrimination Act and all PHA policies as outlined in Chapter 2 of this document.

When HUD-VASH recipients include veterans with disabilities or family members with disabilities, reasonable accommodation requirements in Part II of Chapter 2 of this policy apply.

### **19-III.B. REFERRALS [FR Notice 8/13/24 and HUD-VASH Qs and As]**

VAMC case managers will screen all families in accordance with VA screening criteria and refer eligible families to the PHA for determination of program eligibility and voucher issuance. The PHA has no role in determining or verifying the veteran's eligibility under VA screening criteria, including determining the veteran's homelessness status. The PHA must accept referrals from the partnering VAMC and must maintain written documentation of referrals in VASH tenant files. Upon turnover, VASH vouchers must be issued to eligible veteran families as identified by the VAMC.

#### MSHDA Policy

MSHDA partners with four VA Medical Centers in Michigan: The John D. Dingell VA Medical Center in Detroit; the Oscar Johnson VA Medical Center in Iron Mountain, the Battle Creek VA Medical Center in Battle Creek, Michigan, and the Aleda E. Lutz VA Medical Center in Saginaw, Michigan.

In order to expedite the screening process, MSHDA will provide all forms, and a list of documents required for the VASH application to the VAMC. VAMC case managers will work with veterans to fill out the forms and compile all documents prior to meeting with MSHDA and submitting an application. When feasible, the VAMC case manager will email copies of all documents to MSHDA prior to the meeting to allow MSHDA time to review them and start a file for the veteran.

After the VAMC has given the PHA a complete referral, the PHA will perform an eligibility screening within five business days of receipt of a VAMC referral.

### **19-III.C. HCV PROGRAM ELIGIBILITY [FR Notice 8/13/24]**

Eligible participants are homeless veterans and their families who agree to participate in case management from the VAMC.

- A *VASH Veteran* or *veteran family* refers to either a single veteran or a veteran with a household composed of two or more related people. It also includes one or more eligible people living with the veteran who are determined to be important to the veteran's care or well-being.
- A veteran for the purpose of VASH is a person whose length of service meets statutory requirements, and who served in the active military, naval, or air service, was discharged or released under conditions other than dishonorable, and is eligible for VA health care.

Under VASH, PHAs do not have authority to determine family eligibility in accordance with HCV program rules and PHA policies.

## CHAPTER 19

The only reasons for denial of assistance by the PHA are failure to meet the income eligibility requirements and/or that a family member is subject to a lifetime registration requirement under a state sex offender registration program. Under portability, the receiving PHA must also comply with these VASH screening requirements.

### **Social Security Numbers**

When verifying Social Security numbers (SSNs) for homeless veterans and their family members, PHAs must use available flexibilities in accordance with 24 CFR 5.216(g)(1)(iii) to accept self-certification of SSNs and at least one third-party document, such as a bank statement, utility or cell phone bill, or benefit letter that contains the name of the individual in the absence of other documentation.

In the case of the homeless veteran, the PHA must accept the Certificate of Release or Discharge from Active Duty (DD-214) or the VA-verified Application for Health Benefits (10-10EZ) as verification of SSN, if these forms are available, and cannot require the veteran to provide a Social Security card. A VA-issued identification card may also be used to verify the SSN of a homeless veteran. If verifying an individual's SSN using these methods, the PHA must document why the other SSN documentation was not available.

#### MSHDA Policy

If acceptable documentation of the social security number as required in 7-II.B. is not immediately available, MSHDA will accept the Certificate of Release or Discharge from Active Duty (DD-214) or the VA-verified Application for Health Benefits (10-10EZ). If neither of these forms are available, MSHDA will accept self-certification and a third-party document (such as a bank statement, utility or cell phone bill, or benefit letter) with the applicant's name printed on it to satisfy the SSN disclosure requirement.

### **Proof of Age**

The DD-214 or 10-10EZ must be accepted as proof of age in lieu of birth certificates or other PHA-required documentation as outlined in Section 7-II.C. of this policy. A VA-issued identification card may also be used to verify the age of a homeless veteran.

### **Photo Identification**

A VA-issued identification card must be accepted in lieu of another type of government-issued photo identification. These cards also serve as verification of SSNs and date of birth.

### **Income Eligibility [FR Notice 8/13/24]**

With some exceptions, the PHA must determine income eligibility for VASH families in accordance with 24 CFR 982.201 and policies in Section 3-II.A.

Low-income families (80 percent of AMI) are eligible for assistance under VASH, and PHAs may not condition eligibility based on additional eligibility criteria specified in its administrative plan. If the family is over-income based on the most recently published income limits for the family size, the family will be ineligible for assistance.

The following alternative requirements related to income apply to VASH families:

- The PHA must determine the applicant's annual income for purposes of income eligibility by excluding all VA service-connected benefits received by the applicant.

## CHAPTER 19

- This special income exclusion only applies to the definition of *annual income* for purposes of determining income eligibility. If the HUD-VASH applicant qualifies as a low-income family under the alternative requirement, the VA service-connected benefits (with the exception of the normally excluded deferred VA disability payments under 24 CFR 5.609(b)(16) and the payments related to aid and attendance under 24 CFR 5.609(b)(17)) must still be included as annual income when calculating the family's adjusted income. In other words, the VA service-connected disability benefits are excluded for purposes of determining income eligibility but included for purposes of calculating the family's total tenant payment (TTP), housing assistance payment (HAP), and family share.
- When a veteran family reports that they have zero income, the PHA must accept a self-certification of zero income from the family at admission and at reexamination without taking any additional steps to verify the family is indeed zero income. The self-certification does not need to be notarized. The PHA must verify families' income in the Enterprise Income Verification (EIV) system within 120 days after admission. The PHA may not deny zero income families.
- Regardless of PHA policy, in determining compliance with the asset limitation at admission, for the VASH program, the PHA must accept a self-certification by the family that the family's total assets are equal to or less than the HUD-published asset limitation amount (adjusted annually) and that the family does not have any present ownership interest in real property, without taking additional steps to verify the accuracy of the declaration.
- The PHA must not enforce the asset limitation for VASH families at reexamination.
- In addition, because there needs to be a monthly housing assistance payment (HAP) in order to enter into a HAP contract on behalf of a tenant-based voucher family, the utilization of tenant-based VASH assistance by families determined income-eligible is limited to those areas where the family's (TTP) is less than the applicable payment standard or exception payment standard (including any VASH-specific exception payment standard established by the PHA). The family must select a unit with a gross rent that is above the family's TTP in order to lease a unit with the tenant-based VASH voucher.
- While income-targeting does not apply to VASH vouchers, the PHA may include the admission of extremely low-income VASH families in its income targeting numbers for the fiscal year in which these families are admitted.

### MSHDA Policy

While income-targeting requirements will not be considered by MSHDA when families are referred by the partnering VAMC, MSHDA will include any extremely low-income VASH families that are admitted in its income targeting numbers for the fiscal year in which these families are admitted.

### **Minimum Rent [FR Notice 8/13/24]**

PHAs must consider hardship circumstances before charging a minimum rent in accordance with 24 CFR 5.630(b). The PHA may choose to charge a lower minimum rent (including a minimum rent of \$0) specifically for their VASH program regardless of the minimum rent policies established in their administrative plan for other HCV families.

## CHAPTER 19

### MSHDA Policy

MSHDA will establish a minimum rent of \$50 for VASH families. MSHDA will consider hardship circumstances before charging minimum rent at initial eligibility for all VASH families.

### **Screening [FR Notice 8/13/24]**

The PHA may not screen any potentially eligible family members or deny assistance for any grounds permitted under 24 CFR 982.552 and 982.553 with one exception: the PHAs is still required to prohibit admission if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. Accordingly, with the exception of denial for registration as a lifetime sex offender under state law and PHA policies on how sex offender screenings will be conducted, PHA policy in Sections 3-III.B. through 3-III.E. do not apply to VASH. The prohibition against screening families for anything other than lifetime sex offender status applies to all family members, not just the veteran.

If a family member is subject to lifetime registration under a state sex offender registration program, the remaining family members may be served if the family agrees to remove the sex offender from its family composition. This is true unless the family member subject to lifetime registration under a state sex offender registration program is the homeless veteran, in which case the family would be denied admission to the program [6FR Notice 8/13/24].

### MSHDA Policy

MSHDA will perform screenings for VASH in accordance with policies in Chapter 3 III.D. Screening.

### **Denial of Assistance [Notice PIH 2008-37]**

Once a veteran is referred by the VAMC, the PHA must either issue a voucher or deny assistance. If the PHA denies assistance, it must provide the family with prompt notice of the decision and a brief statement of the reason for denial in accordance with Section 3-III.F. Like in the standard HCV program, the family must be provided with the opportunity for an informal review in accordance with policies in Section 3-III.F. In addition, a copy of the denial notice must be sent to the VAMC case manager.

## **19-III.D. CHANGES IN FAMILY COMPOSITION**

### **Adding Family Members [FR Notice 8/13/24]**

When adding a family member after the family has been admitted to the program, PHA policies in Section 3-II.B. apply. Other than the birth, adoption, or court-awarded custody of a child, the PHA must approve additional family members and will apply its regular screening criteria in doing so.

### **Remaining Family Members**

If the homeless veteran dies while the family is being assisted, the voucher would remain with the remaining members of the tenant family. The PHA may use one of its own regular vouchers, if available, to continue assisting this family and free up a VASH voucher for another VASH-eligible family. If a regular voucher is not available, the family would continue utilizing the VASH voucher. Once the VASH voucher turns over, however, it must go to a homeless veteran family.

### **Family Break Up**

In the case of divorce or separation, since the set-aside of VASH vouchers is for veterans, the voucher must remain with the veteran. This overrides the PHA's policies in Section 3-I.C. on how to determine who remains in the program if a family breaks up.

### **19-III.E. LEASING [FR Notice 8/13/24]**

#### **Waiting List**

The PHA does not have the authority to maintain a waiting list or apply local preferences for HUD–VASH vouchers. Policies in Chapter 4 relating to applicant selection from the waiting list, local preferences, special admissions, cross-listing, and opening and closing the waiting list do not apply to VASH vouchers.

#### **Exception Payment Standards [FR Notice 8/13/24]**

To assist VASH participants in finding affordable housing, especially in competitive markets, HUD allows PHAs to establish a HUD-VASH exception payment standard.

PHAs may go up to, but no higher than 120 percent of the published metropolitan area-wide fair market rent (FMR) or small area fair market rent (SAFMR) specifically for VASH families. PHAs who want to establish a VASH exception payment standard over 120 percent are allowed but must still request a waiver from HUD through the regular waiver process outlined in Notice PIH 2018-16, or any successor notices.

Exception payment standards implemented by the PHA under this section also apply in determining rents under 24 CFR 983.301(b) for PBV projects only when the project is comprised solely of units exclusively made available to VASH families.

The PHA may also establish an exception payment standard up to 140 percent of the published FMR or SAFMR only to be applied if required as a reasonable accommodation for a family that includes a person with a disability.

Any unit approved under an exception payment standard must still meet reasonable rent requirements. The PHA may use a payment standard that is greater than 140 percent of FMR as a reasonable accommodation for a person with a disability, but only with HUD approval.

#### **Voucher Issuance [FR Notice 8/13/24]**

Unlike the standard HCV program which requires an initial voucher term of at least 60 days, VASH vouchers must have a search term of at least 120 days. This applies both to the initial search term and moves. PHA policies on extensions as outlined in Section 5-II.E. will apply.

##### MSHDA Policy

All VASH vouchers will have an initial term of 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless MSHDA grants an extension. MSHDA will consider extension requests in accordance with policies in 5-II.E.

The PHA must track issuance of HCVs for families referred by the VAMC or DSP in HUD systems as required in FR Notice 8/13/24.

## CHAPTER 19

### **Special Housing Types [FR Notice 8/13/24]**

The PHA must permit VASH clients to use the following special housing types for tenant-based VASH assistance, regardless of whether these types are permitted in their administrative plan for other families:

- Single room occupancy (SRO);
- Shared housing; and
- Congregate housing;
- Cooperative housing.
- Group home;

#### MSHDA Policy

MSHDA will permit VASH program participants to receive rental assistance in the Special Housing Types listed above in accordance with the policies in Chapter 15.

### **Initial Lease Term [FR Notice 8/13/24]**

Unlike the standard the HCV program, VASH voucher holders may enter into an initial lease that is for less than 12 months. Accordingly, PHA policy in Section 9-I.E., Term of Assisted Tenancy, does not apply.

### **Ineligible Housing**

Unlike in the standard HCV program, VASH families are permitted to live on the grounds of a VA facility in units developed to house homeless veterans.

This applies to both tenant-based assistance and PBV. Therefore, 24 CFR 982.352(a)(5) and 983.53(a)(2), which prohibit units on the physical grounds of a medical, mental, or similar public or private institution, do not apply to VASH for this purpose only. Accordingly, PHA policy in 9-I.D., Ineligible Units, does not apply for this purpose only.

### **Pre-Inspections [FR Notice 8/13/24]**

To expedite the leasing process, PHAs may pre-inspect available units that veterans may be interested in leasing in order to maintain a pool of eligible units.

If a VASH family selects a unit that passed inspection (without intervening occupancy) within 90 days of the date of the Request for Tenancy Approval (Form HUD-52517), the unit may be approved if it meets all other conditions under 24 CFR 982.305. However, the veteran must be free to select their unit and cannot be steered to these units. All regulatory requirements pertaining to Inspection Standards found at 24 CFR 5.703 apply to HUD-VASH.

#### MSHDA Policy

To expedite the leasing process, MSHDA may pre-inspect available units that veterans may be interested in leasing to maintain a pool of eligible units. If a VASH family selects a unit that passed a pre-inspection (without intervening occupancy) within 45 days of the date of the receipt of the Request for Tenancy Approval, the unit may be approved if it meets all other conditions under 24 CFR 982.305.

### **19-III.F. PORTABILITY [Notice PIH 2011-53 and FR Notice 8/13/24]**

#### **General Requirements**

Portability policies under VASH depend on whether the family wants to move within or outside of the initial VA facility's catchment area (the area in which the VAMC or DSP operates). In all cases, the initial VA facility must be consulted prior to the move and provide written confirmation that case management will continue to be provided in the family's new location. VASH participant families may only reside in jurisdictions that are accessible to case management services, as determined by case managers at the partnering VAMC or DSP.

Under VASH, applicant families may move under portability even if the family did not have legal residency in the jurisdiction of the initial PHA when they applied.

As a result, PHA policies in Section 10-II.B. about nonresident applicants do not apply. A family that moves under the portability procedures must not be subject to rescreening by the receiving PHA.

If the family no longer requires case management, there are no portability restrictions. Normal portability rules apply.

#### **Portability within the Initial VAMC or DSP's Catchment Area**

A VASH family can move within the VAMC's catchment area as long as case management can still be provided, as determined by the VA. If the initial PHA's partnering VAMC will still provide the case management services, the receiving PHA must process the move in accordance with portability procedures:

- If the receiving PHA has been awarded VASH vouchers, it can choose to either bill the initial PHA or absorb the family if it has a VASH voucher available to do so.
  - If the PHA absorbs the family, the VAMC or DSP providing the initial case management must agree to the absorption and the transfer of case management.
- If the receiving PHA does not administer a VASH program, it must always bill the initial PHA.

#### **Portability Outside of the Initial VAMC or DSP's Catchment Area**

If a family wants to move to another jurisdiction where it will not be possible for the initial PHA's partnering VAMC or DSP to provide case management services, the initial VAMC or DSP must first determine that the VASH family could be served by another VAMC or DSP that is participating in the VASH program, and the receiving PHA has an available VASH voucher.

In these cases, the family must be absorbed by the receiving PHA either as a new admission or as a portability move-in, as applicable. Upon absorption, the initial PHA's VASH voucher will be available to lease to a new VASH-eligible family, and the absorbed family will count toward the number of VASH slots awarded to the receiving PHA.

**Portability Outside of the Initial VAMC or DSP's Catchment Area under VAWA**

Veterans who request to port beyond the catchment area of the VAMC or DSP where they are receiving case management to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, and who reasonably believes they are threatened with imminent harm from further violence by remaining in the unit may port prior to receiving approval from the receiving VAMC or DSP. The initial PHA must follow its emergency transfer plan (see Exhibit 16-3). PHAs may require verbal self-certification or a written request from a participant seeking a move beyond the catchment area of the VAMC or DSP.

The verbal self-certification or written request must include either a statement expressing why the participant reasonably believes that there is a threat of imminent harm from further violence if they were to remain in the same unit or a statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-day period preceding the participants request for the move.

The participant must still port to a PHA that has a VASH program. If the receiving PHA does not have a VASH voucher available to lease, they may bill the initial PHA until a VASH voucher is available, at which point the porting veteran must be absorbed into the receiving PHA's program.

**19-III.G. TERMINATION OF ASSISTANCE [FR Notice 8/13/24]**

Prior to terminating VASH participants, HUD strongly encourages PHAs to exercise their discretion under 24 CFR 982.552(c)(2) as outlined in Section 12-II.D. of this policy and consider all relevant circumstances of the specific case. This includes granting reasonable accommodation for people with disabilities, as well as considering the role of the case manager and the impact that ongoing case management services can have on mitigating the conditions that led to the potential termination.

VASH participant families may not be terminated after admission for a circumstance or activities that occurred prior to admission and were known to the PHA but could not be considered at the time of admission due to VASH program requirements. The PHA may terminate the family's assistance only for program violations that occur after the family's admission to the program.

There are two alternative requirements for termination of assistance for VASH participants.

**Cessation of Case Management**

As a condition of receiving HCV rental assistance, a HUD-VASH-eligible family must receive case management services from the VAMC or DSP. VASH participant family's assistance must be terminated for failure to participate, without good cause, in case management as verified by the VAMC or DSP. However, the PHA may offer the family continued assistance through one of its regular vouchers or a PBV unit not exclusively made available for HUD-VASH.

However, a VAMC or DSP determination that the participant family no longer requires case management is not grounds for termination of voucher or PBV assistance.

In such a case, at its option, the PHA may offer the family continued assistance through one of its regular vouchers. The decision to transfer assistance to a regular voucher must consider veteran preference and must be communicated to the VA prior to occurring. If the PHA has no voucher to offer, the family will retain its VASH voucher, or PBV unit, until such time as the PHA has an available voucher (or PBV unit not exclusively made available for VASH) for the family.

## CHAPTER 19

If the PHA has no voucher to offer, the family will retain its VASH voucher or PBV unit until such time as the PHA has an available voucher for the family.

### MSHDA Policy

When MSHDA is informed by the VAMC or DSP that a HUD-VASH family has failed to participate in case management, MSHDA may allow the family continued assistance with an HCV voucher if the following conditions are met:

1. MSHDA has an HCV available to provide to the family at the time of notification from the VAMC or DSP, and
2. The family meets screening requirements as identified in 3-III.E. Screening.

If HCV assistance is not available, and/or the family does not meet the screening requirements of the HCV program, MSHDA will terminate assistance at the time of notification from the VAMC or DSP.

### **Serious Violation of the Lease**

The regulation at 24 CFR 982.552(b)(2) states that the PHA must terminate program assistance for a family evicted from housing assistance under the program for serious violation of the lease.

HUD waived this provision, and establishing the alternative requirement that the PHA may terminate program assistance in this case. Prior to terminating VASH participants for this reason, HUD strongly encourages PHAs to exercise their discretion under 24 CFR 982.552(c)(2) and consider all relevant circumstances of the specific case, as well as including the role of the case manager and the impact that ongoing case management services can have on mitigating the conditions that led to the potential termination, prior to determining whether to terminate assistance.

### MSHDA Policy

In addition to considering circumstances as laid out in 12-II.D., MSHDA will evaluate all available documentation, including information from the VAMC and DSP, before terminating a VASH family for a serious violation(s) of the lease.

### **VAWA [FR Notice 8/13/24]**

When a veteran's family member is receiving protection under VAWA because the veteran is the perpetrator of domestic violence, dating violence, sexual assault, or stalking, the victim must continue to be assisted.

Upon termination of the perpetrator's VASH assistance, the victim must be given a regular HCV if one is available, and the perpetrator's VASH voucher must be used to serve another eligible veteran family. If a regular HCV is not available, the perpetrator must be terminated from assistance and the victim will continue to use the VASH voucher.

### **19-III.H. PROJECT-BASING VASH VOUCHERS**

#### **General Requirements [Notice PIH 2017-21 and FR Notice 8/13/24]**

PHAs are authorized to project-base their tenant-based VASH vouchers without additional HUD review or approval in accordance with Notice PIH 2017-21 and all PBV program requirements provided that the VAMC will continue to make supportive services available.

## CHAPTER 19

In addition, since 2010, HUD has awarded VASH vouchers specifically for project-based assistance in the form of PBV HUD-VASH set-aside vouchers. While these vouchers are excluded from the PBV program cap as long as they remain under PBV HAP contract at the designated project, all other VASH vouchers are subject to the PBV program percentage limitation discussed in Section 17-I.A. Note that VASH supportive services only need to be provided to VASH families receiving PBV assistance in the project, not all families receiving PBV assistance in the project. If a VASH family does not require or no longer requires case management, the unit continues to count as an excepted PBV unit as long as the family resides in the unit. In the description of units in Exhibit A of the HAP contract, PHAs must indicate the number of units that will be exclusively made available to VASH families. The PHA must refer only VASH families to PBV units exclusively made available to VASH families and to PBV units funded through a VASH PBV set-aside award.

If the PHA project-bases VASH vouchers, the PHA must consult with the partnering VAMC or DSP to ensure approval of the project or projects.

PHAs may project-base VASH vouchers in projects alongside other PBV units and may execute a single HAP contract covering both the VASH PBVs and the other PBVs. The PHA must refer only VASH families to PBV units exclusively made available to VASH families and to PBV units funded through a HUD set-aside award.

If a VASH family is referred to the PHA and there is an available PBV unit that is not exclusively made available to VASH families, the PHA may offer to refer the family to the owner if allowable under the selection policy for that project, and the owner and PHA may amend the HAP contract to designate the PBV unit as a VASH PBV unit.

The PHA and owner may agree to amend a PBV HAP contract to redesignate a regular PBV unit as a unit specifically designated for VASH families so long as the PHA first consults with the VAMC or DSP. Additionally, the PHA and owner may agree to amend a PBV HAP contract to redesignate a unit specifically designated for VASH families as a regular PBV unit, so long as the unit is not funded through a VASH PBV set-aside award and is eligible for regular PBV (i.e., the unit is not on the grounds of a medical facility and the unit is eligible under the PHA's program and project caps). Policies for VASH PBV units will generally follow PHA policies for the standard PBV program as listed in Chapter 17, with the exception of the policies listed below.

### **Ineligible Units**

Unlike in the regular PBV program, the PHA may opt to select an occupied unit or admit a family to a unit if such unit is made exclusively available to VASH families if the PBV project is either on the grounds of a VA facility or there are VASH supportive services provided on-site at the project.

### **Termination of Assistance**

A VASH family's PBV assistance must be terminated for failure to participate in case management when required by the VA. However, the PHA may allow the veteran family to receive a regular (non-VASH) tenant-based voucher or PBV unit instead of the family's assistance being terminated. In this case, the PHA may:

Substitute the family's unit on the PBV HAP contract for another unit (the PHA may, in conjunction with such substitution, add the original unit to the PBV HAP contract with a non-VASH voucher if it is possible to do so;

## CHAPTER 19

Remove the unit from the PBV HAP contract so the family may remain with tenant-based assistance, if the family and the owner agree to use the tenant-based voucher in the unit; or

Change the unit's status in the PBV HAP contract from a unit exclusively made available for VASH to a regular PBV unit, if doing so is allowable under program rules.

If the PHA will not allow the veteran to receive a regular (non-VASH) tenant-based voucher or PBV unit instead of the family's assistance being terminated, then upon notification by the VA of the family's failure to participate in VA-required case management, the PHA must provide the family a reasonable period of time (as established by the PHA) to vacate the unit.

### MSHDA Policy

If the family fails to participate in case management when required by the VA, MSHDA will terminate the family's PBV assistance.

The family will have 120 days to vacate the unit. MSHDA will terminate assistance to the family at the earlier of (1) the time the family vacates or (2) the expiration of the 120-day period.

If the family fails to vacate the unit within the established time, the owner may evict the family.

If the owner does not evict the family, the PHA will remove the unit from the HAP contract or amend the HAP contract to substitute a different unit in the project if the project is partially assisted. The PHA may add the removed unit back onto the HAP contract after the ineligible family vacates the property.

As an alternative to termination, the family may be eligible for HCV assistance if all of the following conditions are met:

1. MSHDA has an HCV available to provide to the family at the time of notification from the VAMC or DSP, and
2. The family meets the requirements to move under 10-I.D. Move Process.

### **Moves**

If a VASH family is eligible to move from its PBV unit after a year of PBV assistance, the PHA will generally follow policies in Chapter 17. However, if there is no VASH tenant-based voucher available at the time the family requests to move, the PHA's actions depend on whether the family still requires case management.

- The PHA may require a family that still requires case management to wait for a VASH tenant-based voucher for a period not to exceed 180 days. If a HUD-VASH tenant-based voucher is still not available after 180 days, the family must be allowed to move using its VASH voucher as tenant-based assistance. Alternatively, the PHA may allow the family to move using its VASH voucher as tenant-based assistance without having to meet this 180-day waiting period. In either case, the PHA may either amend the PBV HAP contract to replace the assistance in the PBV unit with one of its regular vouchers if the unit is eligible for a regular PBV or the PHA and owner may agree to temporarily remove the unit from the HAP contract.

## CHAPTER 19

- If a VASH veteran has been determined to no longer require case management, the PHA must allow the family to move with the first available tenant-based voucher. If no VASH voucher is immediately available, the PHA may not require the family to wait for a VASH voucher to become available.

### **Wrong-Sized or Accessible Units**

If the PHA determines that a VASH family is occupying a wrong-size PBV unit or a PBV unit with accessibility features that the family does not require and the PBV unit is needed by a family that requires the accessibility features, the PHA must notify the family and the owner within 30 days of the PHA's determination. The PHA's offer of continued housing assistance (that must be made within 60 days of the PHA's determination) must be in the form of either a VASH tenant-based voucher or another VASH PBV unit.

If no VASH assistance is available for the PHA to offer within 60 days of the PHA's determination, the PHA must remove the wrong-sized or accessible unit from the HAP contract to make VASH voucher assistance available to the family.

### **Contract Terminations**

The regulation at 24 CFR 983.206(b), which covers the required provision of tenant-based assistance and requires that the family may elect to use its tenant-based assistance to remain in the same project when a PBV HAP contract terminates or expires, does not apply to families issued a HUD-VASH tenant-based voucher under this circumstance. The PHA may use another voucher to add the unit removed under this alternative requirement to the HAP contract after the family vacates the property, in accordance with 24 CFR 983.207(b).

### **Rents**

Contract rents may not be different based on whether the unit is a VASH PBV unit or a non-VASH PBV unit. In determining the rent to owner for the PBV project, if the cap on the amount of rent to owner under 24 CFR 983.301(b)(1) is lower for non-HUD-VASH units than it is for the HUD-VASH units (e.g., the PHA has established a HUD-VASH exception payment standard and there is either no exception payment standard or a lower exception payment standard for the regular HCV program for the area in question), that lower cap is applicable when setting the rent to owner for the PBV units in the project, including the HUD-VASH units.

### **Removing Units from the HAP Contract for Ineligible Families**

The PHA and owner may also agree to temporarily remove a unit from the HAP contract in cases where a HUD VASH eligible veteran has been identified by the VA as appropriate for a VASH PBV unit, but the veteran is not income eligible to receive voucher assistance or may not be selected for the PBV unit because the family's TTP exceeds the gross rent of the unit. Although the family would not be a program participant in the housing portion of the VASH program in such a case, the family would still benefit from the project's location on the grounds of a VA facility or from the VASH supportive services on-site at the project, while the VASH voucher would be available to assist another VASH family. The PHA and owner may agree to add a VASH voucher back onto the PBV HAP contract if the family's income subsequently decreased to the point that there would be a HAP or when the family vacates the unit.

### **Zero HAP Families**

Under normal PBV requirements, the PHA may select an occupied unit to be included under a PBV HAP contract only if the unit's occupants are eligible for assistance under 24 CFR 982.201, and the TTP for the family is less than the gross rent for the unit. Furthermore, in selecting a family for an available PBV unit, typically the PHA must determine the TTP for the family is less than the gross rent, meaning that the unit will be eligible for a monthly HAP. However, if the PBV project is either on the grounds of a VA facility or there are HUD-VASH supportive services provided onsite at the project, the PHA may opt to select a unit occupied by a zero HAP VASH eligible family or admit a zero HAP VASH family to a unit if such unit is made exclusively available to VASH families. Until such time that the VASH family's TTP falls below the gross rent, the family is responsible for paying the entire rent to the owner in addition to being responsible for paying all tenant-supplied utilities. During any period that the family's TTP falls below the gross rent, normal PBV requirements apply.

Further, under normally applicable rules, units occupied by families whose incomes have increased during their tenancy resulting in their TTP equaling the gross rent (zero HAP) must be removed from the HAP contract 180 days following the last housing assistance payment to the owner on the family's behalf.

These regulations do not apply to zero HAP families admitted to the PBV project under this waiver and alternative requirement because there is no last housing assistance payment that would trigger the unit removal date of 180 days. As an alternative requirement, PHAs have the option of removing the unit in which the zero HAP family resides from the HAP contract, but no earlier than 180 days from the start of the family PBV tenancy. If the PHA exercises this option, the family may not be required to move from the unit as a consequence and continues to receive the VASH supportive services. If the project is fully assisted, the PHA may reinstate the unit removed to the HAP contract after the family either vacates the unit or their income decreases to the point that there would be a HAP. If the project is partially assisted, the PHA may substitute a different unit for the unit removed from the HAP contract when the first eligible substitute unit becomes available. Alternatively, the PHA may choose to simply leave the unit on the HAP contract while the zero HAP family continues to reside there.

### **Proposal/Project Selection**

PBV proposal and/or project selection for VASH must follow all regular proposal and/or project selection regulations, with one exception. HUD permits noncompetitive selection of one or more PBV projects with units made exclusively available to VASH families on the site of a VA facility. Note that the method of project selection must comply with all other requirements under 24 CFR 983.51, including that the PHA must notify the public of its intent to noncompetitively select one or more projects for PBV assistance through its 5-Year Plan and to ensure any project selection is consistent with the PHA administrative plan.

### **Failure to Participate in Case Management [FR Notice 8/13/24]**

Upon notification by the VAMC or DSP of the family's failure to participate, without good cause, in case management, the PHA must provide the family a reasonable time period to vacate the unit. The PHA must terminate assistance to the family at the earlier of either the time the family vacates, or the expiration of the reasonable time period given to vacate.

## CHAPTER 19

### MSHDA Policy

Upon notification by the VAMC or DSP that a VASH PBV family has failed to participate in case management without good cause, MSHDA will provide written notice of termination of assistance to the family and the owner within 10 business days. The family will be given 60 days from the date of the notice to move out of the unit.

MSHDA may consider extensions to this 60-day period if needed for reasons beyond the family's control including death, serious illness, or other medical emergency of a family member. MSHDA will also consider exceptions, when necessary, as a reasonable accommodation for a person(s) with disabilities. Under no circumstances will the period of notice be more than 120 days.

If the owner does not evict the family, the PHA must remove the unit from the HAP contract or amend the HAP contract to substitute a different unit in the project if the project is partially assisted. The PHA may add the removed unit to the HAP contract after the ineligible family vacates the property.

### **Moves [FR Notice 8/13/24]**

When a VASH PBV family is eligible to move from its PBV unit in accordance with Section 17-VIII.C. of this policy, but there is no other comparable tenant-based rental assistance, the following procedures must be implemented:

- If a VASH tenant-based voucher is not available at the time the family wants (and is eligible) to move, the PHA may require a family who still requires case management to wait for a VASH tenant-based voucher for a period not to exceed 180 days;
- If a VASH tenant-based voucher is still not available after that period, the family must be allowed to move with its VASH voucher. Alternatively, the PHA may allow the family to move with its VASH voucher without having to meet this 180-day period. In either case, the PHA is required to replace the assistance in the PBV unit with one of its regular vouchers, unless the PHA and owner agree to temporarily remove the unit from the HAP contract; and
- If a VASH veteran is determined to no longer require case management, the PHA must allow the family to move with the first available tenant-based voucher if no VASH voucher is immediately available and cannot require the family to wait for a VASH voucher to become available.

### **PART IV: MAINSTREAM VOUCHER PROGRAM**

#### **19-IV.A. PROGRAM OVERVIEW [Notice PIH 2020-01 and Notice PIH 2024-30]**

Mainstream vouchers assist non-elderly people with disabilities and their families (particularly those transitioning out of institutions or at serious risk of institutionalization) in the form of either project-based or tenant-based voucher assistance.

The Mainstream voucher program, (previously referred to as the Mainstream 5-Year program or the Section 811 voucher program) was originally authorized under the National Affordable Housing Act of 1990. Mainstream vouchers operated separately from the regular HCV program until the passage of the Frank Melville Supportive Housing Investment Act of 2010.

## CHAPTER 19

Funding for Mainstream voucher renewals and administrative fees was first made available in 2012. In 2017 and 2019, incremental vouchers were made available for the first time since the Melville Act (in addition to renewals and administrative fees), and PHAs were invited to apply for a competitive award of Mainstream vouchers under the FY17 and FY19 NOFAs.

In 2020, Notice PIH 2020-22 provided an opportunity for any PHA administering an HCV program to apply for Mainstream vouchers noncompetitively, while Notice PIH 2020-09 authorized an increase in Mainstream voucher units and budget authority for those PHAs already awarded Mainstream vouchers under the FY17 and FY19 NOFAs.

Funding and reporting for Mainstream vouchers is separate from the HCV program. Funds for Mainstream vouchers may be recaptured and reallocated if the PHA does not comply with all program requirements or fails to maintain a utilization rate of 80 percent for the PHA's Mainstream vouchers.

The Consolidated Appropriations Act, 2024 (Public Law 118-42) authorized HUD to establish waivers and alternative requirements for Mainstream Vouchers related to the administration of waiting lists, local preferences, and the initial term and extensions of tenant-based vouchers. HUD is not permitted to waive requirements related to tenant rights and protections, rent setting, fair housing, nondiscrimination, labor standards, and the environment. Prior to this, Mainstream vouchers follow the same program requirements as standard vouchers.

### **19-IV.B. ELIGIBLE POPULATION [Notice PIH 2020-01 and Notice PIH 2020-22]**

All Mainstream vouchers must be used to serve non-elderly people with disabilities and their families, defined as any family that includes a person with disabilities who is at least 18 years old and not yet 62 years old as of the effective date of the initial HAP contract. The eligible disabled household member does not need to be the head of household.

The definition of person with disabilities for purposes of Mainstream vouchers is the statutory definition under section 3(b)(3)(E) of the 1937 Act, which is the same as is used for allowances and deductions in the HCV program and is provided in Exhibit 3-1 of this policy.

Existing families receiving Mainstream vouchers, where the eligible family member is now age 62 or older, will not "age out" of the program as long as the family was eligible on the day it was first assisted under a HAP contract.

The PHA may not implement eligibility screening criteria for Mainstream vouchers that is different from that of the regular HCV program.

### **19-IV.C. PARTNERSHIP AND SUPPORTIVE SERVICES [Notice PIH 2020-01]**

PHAs are encouraged but not required to establish formal and informal partnerships with a variety of organizations that assist people with disabilities to help ensure eligible participants find and maintain stable housing.

#### MSHDA Policy

MSHDA will implement a Mainstream program, in partnership with the Michigan Department of Health and Human Services (MDHHS) on the Mainstream Voucher Program.

## CHAPTER 19

The voucher will provide the rental assistance and MDHHS partnering agencies will provide support services based on the individual's needs and affiliated program (MI Choice Waiver Program, Behavioral Health Services and Supports Program, Habilitation Supports Waiver, and Independent Living Services Program).

In the absence of a referral from MDHHS, MSHDA will offer the next available Mainstream Voucher to eligible families from its waiting list.

### **19-IV.D. WAITING LIST ADMINISTRATION [Notice PIH 2024-30]**

For Mainstream vouchers, HUD has waived 24 CFR 982.204(f), which requires one waiting list for the HCV program and allows PHA the discretion to operate a Mainstream voucher waiting list that is separate from the general HCV waiting list. This is optional.

If the PHA chooses to create a separate Mainstream waiting list, the PHA must notify families on the HCV waiting list of the separate Mainstream waiting list and provide an opportunity for families on the HCV list to be placed on the Mainstream list.

If the PHA does not pursue the optional waiver to maintain a separate Mainstream waiting list, the PHA must still ensure program access for individuals with disabilities.

Upon turnover, vouchers must be provided to Mainstream-eligible families.

#### MSHDA Policy

MSHDA will establish a separate waiting list for the Mainstream program.

All MSHDA policies on opening, closing, and updating the waiting list in Chapter 4 will also apply to the Mainstream waiting list.

### **19-IV.E. PREFERENCES [Notice PIH 2024-30]**

While PHAs may establish local preferences based on local housing needs and priorities in accordance with 24 CFR 982.207(a), HCV regulations do not permit PHAs to establish separate preferences for Mainstream voucher applicants. HUD waived 24 CFR 982.207(a)(1) and allows PHAs to establish separate preferences for Mainstream voucher applicants. However, PHAs may not apply a residency preference to Mainstream voucher applicants.

PHAs with outstanding Olmstead-related litigation or enforcement activities, as well as those undertaking affirmative Olmstead planning and implementation efforts, who wish to establish preferences that target individuals with specific disabilities must request HUD approval. The process for requesting approval for a remedial preference targeting individuals with specific disabilities is outlined in Notice PIH 2012-31.

Regardless of whether a PHA chooses to adopt separate Mainstream voucher preferences, if the PHA claimed points for a preference in a NOFA application for Mainstream vouchers, the PHA must adopt a preference for at least one of the targeted groups identified in the NOFA. NOFA. PHAs may choose to apply NOFA preferences to the entire HCV waiting list or only to Mainstream voucher applicants as a separate Mainstream voucher preference.

PHAs may use either date and time of application or a drawing or other random choice technique in selecting families from the Mainstream waiting list among applicants with the same preference status in accordance with the PHA's administrative plan.

## CHAPTER 19

### MSHDA Policy

MSHDA claimed a preference for a targeted group as part of an application for Mainstream vouchers under a NOFA. MSHDA will offer preference for non-elderly/disabled individuals who are:

- residing in institutional settings or other segregated settings who want to move to community-based integrated settings; or
- at risk serious risk of institutionalization; or homeless; or
- at risk of becoming homeless.

Otherwise, MSHDA will not offer any preferences on its Mainstream waiting list.

### **19-IV.F. VOUCHER ISSUANCE**

#### ***Initial Search Term [Notice PIH 2024-30]***

For Mainstream vouchers, HUD waived 24 CFR 982.303(a), which requires an initial search term of at least 60 days, and established an alternative requirement that the initial search term for a Mainstream voucher be at least 120 days.

The initial 120-day term also applies when a family chooses to move to a new unit with continued assistance inside or outside the PHA's jurisdiction. When issuing a Mainstream voucher, the PHA also must provide a current listing of available accessible units known to the PHA and, if necessary, otherwise assist the family in identifying an accessible unit.

### MSHDA Policy

The initial voucher term for all Mainstream vouchers, including those issued when a family wishes to exercise portability, will be 120 days.

#### **Voucher Extension [Notice PIH 2024-30]**

The PHA's administrative plan must describe the PHA's policies for granting extensions to the initial 120-day voucher term and provide clear instructions to families on the procedures for requesting an extension. If a family requires additional time, the PHA is required to provide an extension as a reasonable accommodation.

PHAs must adopt an extension policy for Mainstream vouchers that includes the following:

- Each extension must be for a minimum of 90 days;
- The PHA must approve the first extension request, regardless of how the request is made (written or verbal) or when it is made, as long as the request is made on or before the expiration date of the voucher and is consistent with applicable requirements (subsequent requests should be processed in accordance with the PHA's administrative plan); and
- The PHA must, on at least one occasion after voucher issuance, notify the family prior to the expiration of the initial term to remind them of the expiration date, the process for requesting an extension, and to inquire if the family is in need of assistance with their housing search.

As part of its search extension policy, the PHA may not restrict a first extension approval to certain circumstances or require documentation from applicants.

## CHAPTER 19

For all extension requests, a written or verbal request is sufficient. In providing notice to families of the expiration date and extension request process, PHAs must ensure effective communication with people with disabilities, including those with vision, hearing, speech, intellectual or other developmental disabilities, or any other communication-related disabilities. PHAs must approve all extension requests made as a reasonable accommodation, and PHAs must provide this information during the family briefing.

### MSHDA Policy

At least 30 days prior to the expiration of the initial term of the voucher, MSHDA will contact the family to remind them of the expiration date of their voucher, the process for requesting an extension, and to inquire if the family needs assistance with their housing search.

Depending on the family's preferred method of communication, MSHDA may contact the family via telephone, text message, email, or other accessible communication method. MSHDA will ensure effective communication with people with disabilities, including those with vision, hearing, speech, intellectual or other developmental disabilities, or any other communication-related disabilities.

Families may request an extension, either orally or in writing, at any time prior to the expiration of the family's voucher:

1. The initial extension period will be for 90 days and will automatically be granted without the requirement for the family to provide documentation.
2. If the family requires additional extensions beyond 90 days, the family may request additional extensions, either orally or in writing, at any time prior to the expiration of the extended voucher term. All subsequent extensions will be processed in accordance with Extensions of the Voucher Term in 5-II.E.

Each time the family requests an extension, MSHDA will inquire if the family needs assistance with their housing search and will provide a current listing of available accessible units known to the MSHDA.

### **19-IV.G. PORTABILITY [Notice PIH 2020-01 and Mainstream Voucher Basics Webinar, 10/15/20]**

Mainstream voucher participants are eligible for portability under standard portability rules and all PHA policies regarding portability in Chapter 10, Part II apply to Mainstream families.

The following special considerations for Mainstream vouchers apply under portability:

- If the receiving PHA has a Mainstream voucher available, the participant may remain a Mainstream participant.
  - If the receiving PHA chooses to bill the initial PHA, then the voucher will remain a Mainstream voucher.
  - If the receiving PHA chooses to absorb the voucher, the voucher will be considered a regular voucher, or a Mainstream voucher if the receiving PHA has a Mainstream voucher available, and the Mainstream voucher at the initial PHA will be freed up to lease to another Mainstream-eligible family.

## CHAPTER 19

- If the receiving PHA does not have a Mainstream voucher available, the participant may receive a regular voucher.

### 19-IV.H. PROJECT-BASING MAINSTREAM VOUCHERS

The PHA may project-base Mainstream vouchers in accordance with all applicable PBV regulations and PHA policies in Chapter 17. PHAs are responsible for ensuring that, in addition to complying with project-based voucher program requirements, the project complies with all applicable federal nondiscrimination and civil rights statutes and requirements. This includes, but is not limited to, Section 504 of the Rehabilitation Act (Section 504), Titles II or III of the Americans with Disabilities (ADA), and the Fair Housing Act and their implementing regulations at 24 CFR Part 8; 28 CFR Parts 35 and 36; and 24 CFR Part 100. Mainstream vouchers are subject to the PBV program's percentage limitation discussed in Section 17-I.A.

### PART V: NON-ELDERLY DISABLED (NED) VOUCHERS

#### 19-V.A. PROGRAM OVERVIEW [Notice PIH 2013-19]

NED vouchers help non-elderly disabled families lease suitable, accessible, and affordable housing in the private market. Aside from separate funding appropriations and serving a specific population, NED vouchers follow the same program requirements as standard vouchers. The PHA does not have special authority to treat families that receive an NED voucher differently from other applicants and participants.

Some NED vouchers are awarded to PHAs through competitive NOFAs. The NOFA for FY2009 Rental Assistance for NED made incremental funding available for two categories of NED families:

- **Category 1** vouchers enable non-elderly people or families with disabilities to access affordable housing on the private market.
- **Category 2** vouchers enable non-elderly people with disabilities currently residing in nursing homes or other healthcare institutions to transition into the community.

PHAs with NED Category 2 vouchers were required to partner with a state Medicaid or health agency or the state Money Follows the Person (MFP) Demonstration agency.

Since 1997, HCVs for NED families have been also awarded under various special purpose HCV programs: Rental Assistance for Non-Elderly Persons with Disabilities in Support of Designated Housing Plans (Designated Housing), Rental Assistance for Non-Elderly Persons with Disabilities Related to Certain Types of Section 8 Project-Based Developments (Certain Developments), One-Year Mainstream Housing Opportunities for Persons with Disabilities, and the Project Access Pilot Program (formerly Access Housing 2000).

- **Designated Housing** vouchers enable non-elderly disabled families, who would have been eligible for a public housing unit if occupancy of the unit or entire project had not been restricted to elderly families only through an approved Designated Housing Plan, to receive rental assistance.

These vouchers may also assist non-elderly disabled families living in a designated unit/project/building to move from that project if they so choose. The family does not have to be listed on the PHA's voucher waiting list. Instead, they may be admitted to the program as a special admission.

## CHAPTER 19

Once the impacted families have been served, the PHA may begin issuing these vouchers to non-elderly disabled families from their HCV waiting list. Upon turnover, these vouchers must be issued to non-elderly disabled families from the PHA's HCV waiting list.

- **Certain Developments** vouchers enable non-elderly families having a person with disabilities, who do not currently receive housing assistance in certain developments where owners establish preferences for, or restrict occupancy to, elderly families, to obtain affordable housing. These non-elderly families with a disabled person do not need to be listed on the PHA's HCV waiting list in order to be offered and receive housing choice voucher rental assistance. It is sufficient that these families' names are on the waiting list for a covered development at the time their names are provided to the PHA by the owner. Once the impacted families have been served, the PHA may begin issuing these vouchers to non-elderly disabled families from their HCV waiting list. Upon turnover, these vouchers must be issued to non-elderly disabled families from the PHA's HCV waiting list.
- **One-Year Mainstream Housing Opportunities for Persons with Disabilities (One-Year Mainstream)** vouchers enable non-elderly disabled families on the PHA's waiting list to receive a voucher. After initial leasing, turnover vouchers must be issued to non-elderly disabled families from the PHA's voucher waiting list.

### 19-V.B. ELIGIBLE POPULATION

#### General Requirements [Notice PIH 2013-19]

Only eligible families whose head of household, spouse, or cohead is non-elderly (under age 62) and disabled may receive a NED voucher. Families with only a minor child with a disability are not eligible.

In cases where the qualifying household member now qualifies as elderly due to the passage of time since the family received the NED voucher, existing NED participant families do not "age out," as the family was eligible on the day it was first assisted under a housing assistance payments (HAP) contract.

The definition of person with disabilities for purposes of NED vouchers is the statutory definition under Section 3(b)(3)(E) of the 1937 Act, which is the same as is used for allowances and deductions in the HCV program and is provided in Exhibit 3-1 of this policy.

The PHA may not implement eligibility screening criteria for NED vouchers that is different from that of the regular HCV program.

#### NED Category 2 [Notice PIH 2013-19]

In addition to being eligible for the PHA's regular HCV program and a non-elderly person with a disability, in order to receive a Category 2 voucher, the family's head, spouse, cohead, or sole member must be transitioning from a nursing home or other healthcare institution and provided services needed to live independently in the community.

Nursing homes or other healthcare institutions may include intermediate care facilities and specialized institutions that care for those with intellectual disabilities, developmentally disabled, or mentally ill, but do not include board and care facilities (e.g., adult homes, adult day care, adult congregate living).

## CHAPTER 19

The PHA cannot limit who can apply to just those persons referred or approved by a Money Follows the Person (MFP) Demonstration agency or state health agency. Other individuals could be placed on the waiting list if they can show, with confirmation by an independent agency or organization that routinely provides such services (this can be the MFP or partnering agency, but need not be), that the transitioning individual will be provided with all necessary services, including care or case management.

For each Category 2 family, there must be documentation (e.g., a copy of a referral letter from the partnering or referring agency) in the tenant file identifying the institution where the family lived at the time of voucher issuance.

### **19-V.C. WAITING LIST**

#### **General Requirements [Notice PIH 2013-19]**

Families must be selected for NED vouchers from the PHA's waiting list in accordance with all applicable regulations and PHA policies in Chapter 4.

Regardless of the number of NED families the PHA is required to serve, the next family on the waiting list must be served. Further, the PHA may not skip over NED-eligible families on the waiting list because the PHA is serving the required number of NED families.

#### MSHDA Policy

In the absence of a referral from a partnering agency, MSHDA will offer the next available NED voucher to eligible families from its waiting list.

#### **NED Category 2 Referrals**

For NED Category 2 families, the partnering agency may make referrals of eligible families to the PHA for placement on the waiting list. The PHA will then select these families from the waiting list for voucher issuance. Because language in the NOFA established that vouchers awarded under the NOFA must only serve non-elderly disabled families transitioning from institutions, the PHA does not need to establish a preference in order to serve these families ahead of other families on the PHA's waiting list.

PHAs must accept applications from people living outside their jurisdictions or from people being referred from other Medicaid or MFP service agencies in their state.

If the PHA's waiting list is closed, the PHA must reopen its waiting list to accept referrals from its partnering agency. When opening the waiting list, PHAs must advertise in accordance with 24 CFR 982.206 and PHA policies in Section 4-II.C. In addition, the PHA must ensure that individuals living in eligible institutions are aware when the PHA opens its waiting list by reaching out to social service agencies, nursing homes, intermediate care facilities and specialized institutions in the local service area.

#### **Reissuance of Turnover Vouchers [Notice PIH 2013-19]**

All NED turnover vouchers must be reissued to the next NED family on the PHA's waiting list with the following exception: A Category 2 voucher must be issued to another Category 2 family upon turnover if a Category 2 family is on the PHA's waiting list. If there are no Category 2 families on the PHA's waiting list, the PHA must contact its partnering agency as well as conduct outreach through appropriate social service agencies and qualifying institutions to identify potentially eligible individuals.

## CHAPTER 19

Only after all means of outreach have been taken to reach Category 2 families can the PHA reissue the voucher to another Category 2 NED family on the PHA's waiting list. Any subsequent turnover of that voucher must again be used for a Category 2 family on the PHA's waiting list, and the PHA is under the same obligation to conduct outreach to Category 2 families if no such families are on the PHA's waiting list.

For PHAs that received both Category 1 and Category 2 vouchers, if at any time the PHA is serving fewer Category 2 families than the number of Category 2 HCVs awarded under the NOFA, when a Category 2 family applies to the waiting list and is found eligible, the PHA must issue the next NED voucher to that family. HUD monitors the initial leasing and reissuance of Category 2 HCVs. These vouchers may be recaptured and reassigned if not leased properly and in a timely manner.

All NED vouchers should be affirmatively marketed to a diverse population of NED-eligible families to attract protected classes least likely to apply.

If at any time following the turnover of a NED HCV a PHA believes it is not practicable to assist NED families, the PHA must contact HUD.

### **19-V.D. LEASE UP [Notice PIH 2013-19]**

#### **Briefings**

In addition to providing families with a disabled person a list of accessible units known to the PHA, HUD encourages, but does not require, PHAs to provide additional resources to NED families as part of the briefing.

#### MSHDA Policy

In addition to providing families with a disabled person a list of accessible units known to MSHDA, MSHDA will provide in the briefing packet a list of local supportive service agencies and organizations serving people with disabilities that may provide such assistance as counseling services and funding for moving expenses or security deposits. These organizations include state protection and advocacy agencies, Centers for Independent Living, state Medicaid agencies, and disability advocacy groups that represent individuals with a variety of disabilities.

Further, if other governmental or non-governmental agencies provide available resources such as housing search counseling, moving expenses, security deposits, and utility deposits, MSHDA will include this information in the briefing packet.

MSHDA will also offer specialized housing search assistance to families with a disabled person to locate accessible units if requested. Trained MSHDA staff or a local supportive service agency or organization serving people with disabilities may be able to provide this service.

#### **Voucher Term**

While the PHA is not required to establish different policies for the initial term of the voucher for NED vouchers, HUD has encouraged PHAs with NED vouchers to be generous in establishing reasonable initial search terms and subsequent extensions for families with a disabled person.

#### MSHDA Policy

All NED vouchers will have an initial term of 120 calendar days.

## CHAPTER 19

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless MSHDA grants an extension.

All other MSHDA policies on extensions and suspension of vouchers in Section 5-II.E. will apply.

### **Special Housing Types [Notice PIH 2013-19]**

In general, a PHA is not required to permit families to use any of the special housing types and may limit the number of families using such housing.

However, the PHA must permit the use of a special housing type if doing so provides a reasonable accommodation so that the program is readily accessible to and usable by a person with disabilities.

Such special housing types include single room occupancy housing, congregate housing, group homes, shared housing, cooperative housing, and manufactured homes when the family owns the home and leases the manufactured home space.

People with disabilities transitioning out of institutional settings may choose housing in the community that is in a group or shared environment or where some additional assistance for daily living is provided for them on site. Under HUD regulations, group homes and shared housing are considered special housing types and are not excluded as an eligible housing type in the HCV program.

Assisted living facilities are also considered eligible housing under the normal HCV program rules, as long as the costs for meals and other supportive services are not included in the housing assistance payments (HAP) made by the PHA to the owner, and as long as the person does not need continual medical or nursing care.

### **19-V.E. PORTABILITY**

NED voucher participants are eligible for portability under standard portability rules and all PHA policies regarding portability in Chapter 10, Part II apply to NED families. However, the PHA may, but is not required to, allow applicant NED families to move under portability, even if the family did not have legal residency in the initial PHA's jurisdiction when they applied.

#### MSHDA Policy

If neither the head of household nor the spouse or cohead of a NED applicant family had a domicile (legal residence) in MSHDA's jurisdiction at the time that the family's initial application for assistance was submitted, the family must lease a unit within the initial PHA's jurisdiction for at least 12 months before requesting portability.

MSHDA will consider exceptions to this policy for purposes of reasonable accommodation (see Chapter 2), or reasons related to domestic violence, dating violence, sexual assault, stalking, or human trafficking.

## **PART VI: STABILITY VOUCHER PROGRAM**

### **19-VI.A. PROGRAM OVERVIEW [Notice PIH 2022-24]**

The Consolidated Appropriations Act, 2021 (Public Law 116-260) (2021 Act) provided new incremental funding for voucher assistance through Stability Vouchers (SV) for households who are:

## CHAPTER 19

- Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));
- At-risk of homelessness;
- Those fleeing or attempting to flee domestic violence dating violence, sexual assault, stalking, or human trafficking; and
- Veterans and families that include a veteran family member that meet one of the above criteria.

HUD may waive certain statutory and regulatory provisions to administer the SVs (except for requirements related to tenant rights and protections, rent setting, fair housing, nondiscrimination, labor standards and the environment) upon a finding that any such waivers or alternative requirements are necessary to facilitate the use of funds made available for SVs. Unless expressly waived below, 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.

A PHA may request additional good cause regulatory waivers as established in Notice PIH 2018-16 in connection with the use of the SVs, which HUD will consider and assess upon the request of the PHA.

### **19-VI.B. PARTNERING ORGANIZATION [Notice PIH 2022-24]**

SV funding is only awarded to PHAs that partner with eligible Continuums of Care (CoCs) or other entities that serve the targeted population, such as Victim Service Providers (VSPs) and Veteran Service Organizations (VSOs) serving the targeted population in the PHA's jurisdiction to implement coordinated approaches to reduce the prevalence of homelessness, improve service engagement, and promote housing stability while ensuring geographical need of assistance.

The PHA must enter into a Memorandum of Understanding (MOU) with the CoC to establish a partnership with the CoC to pair SVs with CoC-funded supportive services, and to collaborate with the CoC and other stakeholders to develop a prioritization plan for these vouchers.

#### MSHDA Policy

MSHDA has entered into an MOU with the Balance of State Continuum of Care and Housing Assessment and Resource Agencies.

See Exhibit 19-3 for a copy of the Stability Voucher MOU.

### **19-VI.C. REFERRALS [Notice PIH 2022-24]**

In general, families are issued SVs as the result of either:

- The direct referral process from the CoC or other partnering organizations; or
- A situation where the PHA makes an SV available in order to facilitate an emergency transfer for victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking.

## CHAPTER 19

### CoC Referrals

The primary responsibility of the CoC under the MOU is to make direct referrals of qualifying individuals and families to the PHA and to identify any CoC-funded available supportive services that may be paired with SVs.

The CoC or other partnering agency must certify that the SV applicants they refer to the PHA meet the definition of a qualifying individual or family for SV assistance.

The referring agency must provide documentation to the PHA of the referring agency's verification that the family meets one of the four eligible categories for SV assistance. The PHA must retain this documentation as part of the family's file.

#### MSHDA Policy

The CoC or partnering service agency will refer eligible families to MSHDA and provide additional eligible services to assist with lease up. The CoC or partnering agency must establish and implement a system to identify SV-eligible individuals and families within the agency's caseload and make referrals to MSHDA.

The CoC or other partnering agency must certify that the SV applicants they refer to MSHDA meet at least one of the four SV eligibility criteria.

The CoC or partnering service agency will provide the MSHDA-SV-323 Authorization for Release of Information to MSHDA when referring eligible families.

As part of the MOU, MSHDA and the CoC or other partnering agency will identify staff positions to serve as lead SV liaisons. These positions will be responsible for transmission and acceptance of referrals.

The CoC or partnering agency must commit sufficient staff and resources to ensure eligible individuals and families are identified and determined eligible in a timely manner.

The MSHDA liaison responsible for acceptance of referrals will contact the CoC or partnering agency liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than ten (10) business days from the date the CoC or partnering agency receives this notification, the CoC or partnering agency liaison will provide MSHDA with a list of eligible referrals including the name, address, and contact phone number for each adult individual who is being referred; a completed release form for each adult family member; and a written certification for each referral indicating they are SV-eligible. Exhibit 19-3, Stability Voucher Waivers and Alternative Requirements describes the waivers and alternative requirements MSHDA has adopted as authorized by Notice PIH 2022-24.

### Referrals from Outside the CoC

The PHA must also take direct referrals from outside the CoC process if:

- The CoC does not have a sufficient number of eligible families to refer to the PHA; or
- The CoC does not identify families that may be eligible for SV assistance because they are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking.

## CHAPTER 19

If a direct referral is taken from outside of the CoC, the PHA must enter into a partnership to receive direct referrals from another entity, assuming there are such additional organizations that can certify that an individual or family is eligible for an SV.

The PHA must enter into an MOU with a partnering referral agency or may add the partnering referral agency to the MOU between the PHA and CoC.

### **19-VI.D. WAITING LIST [Notice PIH 2022-24]**

#### **HCV Waiting List**

The regulation that requires the PHA to admit applicants as waiting list admissions or special admissions in accordance with admission policies in Chapter 4 does not apply to PHAs operating the SV program. Direct referrals are not added to the PHA's HCV waiting list.

The PHA must inform families on the HCV waiting list of the availability of SVs by, at a minimum, either by posting the information to their website or providing public notice in their respective communities in accordance with the requirements listed in Notice PIH 2022-24.

#### MSHDA Policy

MSHDA will provide information about the SV program for families. The notice will:

Describe the eligible populations to which SVs are limited.

Clearly state that the availability of these SVs is managed through a direct referral process.

Advise the family to contact the CoC (or any other referral partner, if applicable) if the family believes they may be eligible for SV assistance.

The PHA will ensure effective communication with people with disabilities, including those with vision, hearing, and other communication-related disabilities in accordance with Chapter 2. The PHA will also take reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP) in accordance with Chapter 2.

#### **SV Waiting List**

The HCV regulations requiring the PHA to operate a single waiting list for admission to the HCV program do not apply to PHAs operating the SV program. Instead, when the number of applicants referred by the CoC or partnering agency exceeds the SVs available, the PHA must maintain a separate waiting list for SV referrals. Upon turnover, SV vouchers must continue to remain available for eligible families.

Further, the SV waiting list is not subject to PHA policies in Chapter 4 regarding opening and closing the HCV waiting list. The PHA will work directly with its CoC and other referral agency partners to manage the number of referrals and the size of the SV waiting list.

#### **HCV Waiting List Preferences**

If local preferences are established by the PHA for HCV in Chapter 4, they do not apply to SVs. However, if the PHA has a homelessness preference or 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.

## CHAPTER 19

### MSHDA Policy

MSHDA offers homeless preference for the HCV waiting list. SV Applicants will be referred to the CoC/HARA.

### **SV Waiting List Preferences**

With the exception of a residency preference, which may not be applied to the PHA's SV waiting list, the PHA may choose, in coordination with the CoC and other referral partners, to establish separate local preferences for SVs, or may simply choose not to establish any local preferences for the SV waiting list. The preference system may not prohibit SV admissions from any of the four qualifying categories of eligibility.

### MSHDA Policy

No local preferences have been established for the SV waiting list.

## **19-VI.E. FAMILY ELIGIBILITY [Notice PIH 2022-24]**

### **Referring Agency Determination of Eligibility**

The CoC or referring agency determines whether the individual or family meets any one of the eligibility criteria described in Notice PIH 2022-24 and then refers the family to the PHA.

The PHA determines that the family meets other eligibility criteria for the HCV program, as modified for the SV program and outlined below.

In order to be eligible for an SV, a household must meet one of four eligibility criteria:

- Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a)) and 24 CFR 578.3;
- At-risk of homelessness as defined in 24 CFR 5.78.3;
- Those fleeing or attempting to flee domestic violence dating violence, sexual assault, stalking, or human trafficking; and
- Veterans [as defined in 38 U.S.C. 101(2); 38 CFR 3.1(d)] and families that include a veteran family member that meet one of the above criteria.

### **Mandatory Denials**

HUD waived 24 CFR 982.552 and 982.553 in part for the SV applicants and established alternative requirements for mandatory and permissive prohibitions of admissions.

Except where applicable, PHA policies regarding denials in Chapter 3 of this policy do not apply to screening individuals and families for eligibility for an SV. Instead, the SV alternative requirement listed in this section will apply to all SV applicants.

The mandatory and permissive prohibitions listed in Notice PIH 2022-24 and in this chapter, however, apply only when screening the individual or family for eligibility for an SV.

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 HCV screening criteria in Chapter 3 in doing so.

Under alternative requirements for the SV program, mandatory denials for SV applicants include:

## CHAPTER 19

- 24 CFR 982.553(a)(1)(ii)(C), which prohibits 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.
- 24 CFR 982.553(a)(2)(i), which prohibits admission to the program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

The PHA will also deny assistance to household members already receiving assistance from another program.

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

### MSHDA Policy

While MSHDA will deny admission to the program if any adult member (or head of household or spouse, regardless of age) fails to sign and submit consent forms, MSHDA will first notify the family of the limited SV grounds for denial of admission as part of the notice of denial that will be mailed to the family.

### **Permissive Denial**

Notice PIH 2022-24 lists permissive prohibitions for which the PHA may, but is not required to, deny admission to SV families. The notice also lists prohibitions that, while allowable under the HCV program, may not be used to deny assistance for SV families.

If the PHA intends to establish permissive prohibition policies for SV applicants, the PHA must first consult with its CoC partner to understand the impact that the proposed prohibitions may have on referrals and must take the CoC's recommendations into consideration.

### MSHDA Policy

In consultation with the CoC, MSHDA will establish the following permissive prohibitions:

MSHDA will deny an SV applicant if it is determined that any household member is currently engaged in, or has engaged in within the previous 12 months:

- Violent criminal activity.
- Other criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or people residing in the immediate vicinity.
- 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.
- If the family engaged in or threatened abusive or violent behavior toward MSHDA personnel, contracted Housing Agents, or service agency partners within the previous 12 months.

Prohibitions based on criminal activity for the eligible SV populations regarding drug possession will be considered apart from criminal activity against people (i.e., violent criminal activity).

## CHAPTER 19

In compliance with PIH 2022-24, the PHA **will not** deny an SV 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 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 whether any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

### **Self-Certification of Income at Admission**

The requirement to obtain third-party verification of income in accordance with Notice PIH 2018-18 does not apply to the SV program applicants at admission, and alternatively, PHAs may consider self-certification the highest form of income verification at admission. As such, PHA policies related to the verification of income in Section 7-I.B. do not apply to SV families at admission. Instead, applicants must submit an affidavit attesting to their reported income, assets, expenses, and other factors that would affect an income eligibility determination.

Additionally, applicants may provide third-party documentation that represents the applicant's income within the 120-day period prior to admission or voucher issuance but is not dated within 120 days of the PHA's request.

#### MSHDA Policy

MSHDA will accept self-certification of income at admission when third-party verification as outlined in 7-I.C. is not immediately available.

### **Recently Conducted Income Determinations**

PHAs may 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 calculated in accordance with rules outlined at 24 CFR Part 5 and within the last six months; and
- The family certifies there has been no change in income or family composition in the interim.

#### MSHDA Policy

MSHDA will accept income calculations and verifications from third-party providers except as noted under 7-I.B.

## CHAPTER 19

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 and the PHA policies in Chapter 11.

### **EIV Income Validation**

Once HUD makes the EIV data available to PHAs under this waiver and alternative requirement, the PHA must:

- Review the EIV Income Report to confirm and validate family-reported income within 90 days of the PIC submission date;
- Print and maintain copies of the EIV Income Report in the tenant file; and
- Resolve any income discrepancy with the family within 60 days of the EIV Income Report dates.

Prior to admission, PHAs must continue to use HUD's EIV system to search for all household members using the Existing Tenant Search in accordance with PHA policies in Chapter 3.

If a PHA later determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program in accordance with Chapter 12.

### **Social Security Number and Citizenship Status Verification**

For the SV program, the PHA is not required to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the SV program. Instead, PHAs may adopt policies to admit SV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination. As an alternative requirement, such individuals must provide the required documentation within 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.

If a PHA determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program.

#### MSHDA Policy

MSHDA will admit SV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination.

These individuals must provide the required documentation in accordance with policies in Chapter 7 within 180 days of admission. MSHDA may provide an additional 60-day 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.

If MSHDA determines that an ineligible family received assistance, MSHDA will take steps to terminate that family from the program in accordance with policies in Chapter 12.

### **Age and Disability Verifications**

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

## CHAPTER 19

If a PHA determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program.

### MSHDA Policy

MSHDA will accept self-certification of date of birth and disability status if a higher form of verification is not immediately available. The certification must be made in a format acceptable to MSHDA and must be signed by the family member whose information or status is being verified.

If self-certification is accepted, within 90 days of admission, MSHDA will verify the information in EIV or through other third-party verification if the information is not available in EIV. MSHDA will note the family's file that self-certification was used as initial verification and include an EIV printout or other third-party verification confirming the applicant's date of birth and/or disability status.

If MSHDA determines that an ineligible family received assistance, MSHDA will take steps to terminate that family from the program in accordance with policies in Chapter 12.

### **Income Targeting**

The PHA must determine income eligibility for SV families in accordance with 24 CFR 982.201 and PHA policy in Chapter 3; however, income targeting requirements do not apply for SV families. The PHA may still choose to include the admission of extremely low-income SV families in its income targeting numbers for the fiscal year in which these families are admitted.

### MSHDA Policy

MSHDA will not include the admission of extremely low-income SV families in its income targeting numbers for the fiscal year in which these families are admitted.

## **19-VI.F. HOUSING SEARCH AND LEASING**

### **Initial Voucher Term**

Unlike the standard HCV program, which requires an initial voucher term of at least 60 days, SV vouchers must have an initial search term of at least 120 days. PHA policies on extensions as outlined in Section 5-II.E. will apply.

### MSHDA Policy

All SVs will have an initial term of 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless MSHDA grants an extension as outlined in Section 5-II.E.

### **Pre-Inspections**

To expedite 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.

### MSHDA Policy

MSHDA will not pre-inspect available units for SV families.

## CHAPTER 19

### **Initial Lease Term**

Unlike in the standard the HCV program, SV voucher holders may enter into an initial lease that is for less than 12 months, regardless of the PHA policy in Section 9-I.E., Term of Assisted Tenancy.

### **Portability**

The normal HCV portability procedures and requirements outlined in Chapter 10 generally apply to SVs. Exceptions are addressed below.

- Under SV, applicant families may move under portability even if the family did not have legal residency in the jurisdiction of the initial PHA when they applied, regardless of PHA policy in Section 10-II.B.
- A receiving PHA cannot refuse to assist an incoming SV family, regardless of whether the PHA administers SVs under its own ACC.
- If the 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 so).
  - 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.
- 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**

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.

The initial PHA is required to help facilitate the family's portability move to the receiving PHA and inform the family of this requirement in writing, taking reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP).

#### MSHDA Policy

MSHDA will follow the policy on briefings in Chapter 5.

### 19-VI.G. PAYMENT STANDARDS

#### Overview

For the SV program, HUD has waived the regulation requiring a single payment standard for each unit size. Instead, the PHA may, but is not required to, establish separate higher payment standards for SVs. Lower SV payment standards are not permitted. 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. The separate SV payment standard must comply with all other HCV requirements with the exception of the alternative requirements discussed below.

Further, if the PHA chooses to establish higher payments standards for SVs, HUD has provided other regulatory waivers:

- Defining the “basic range” for payment standards as between 90 and 120 percent of the published Fair Market Rent (FMR) for the unit size (rather than 90 to 110 percent).
- Allowing a PHA that is not in a designated Small Area FMR (SAFMR) area or has not opted to voluntarily implement SAFMRs to establish exception payment standards for a ZIP code area above the basic range for the metropolitan FMR based on the HUD-published SAFMRs.

The PHA may establish an exception payment standard up to 120 percent (as opposed to 110 percent) of the HUD published Small Area FMR for that ZIP code area. The exception payment standard must apply to the entire ZIP code area.

#### MSHDA Policy

MSHDA will not establish a higher payment standard amount for SVs.

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

#### **Increases in Payment Standards**

The requirement that the PHA apply increased payment standards at the family’s first regular recertification on or after the effective date of the increase does not apply to SV. The PHA may, but is not required to, establish an alternative policy on when to apply the increased payment standard, 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.

#### MSHDA Policy

MSHDA will not establish an alternative policy for increases in the payment standard. MSHDA Policy in Section 11-III.B. governing increases in payment standards will apply to SVs.

### 19-VI.H. PROJECT-BASED UNITS

All tenant-based SV awards can be converted to Project-Based Vouchers (PBVs) at any time after award without HUD approval provided all the established PBV regulations and requirements are followed.

## CHAPTER 19

All PBV requirements in 24 CFR Part 983 and in Chapter 17 apply to project-based SVs with the exception of 24 CFR 983.251(c)(1), which requires PHAs to select families for project-based units from its HCV or PBV waiting list. 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.

### **PART VII. MOVING UP PILOT PROGRAM**

The Moving-Up Pilot Program provides Housing Choice Voucher (HCV) rental assistance to individuals and families who are able and want to transition, or “move up,” from Permanent Supportive Housing (PSH) programs. PSH is not time-limited, but over time, some program participants reach a point where they no longer need or want intensive services.

Moving Up families were homeless prior to entry into the PSH program and continue to need a housing subsidy but no longer need the level of supportive services PSH provides.

Moving Up helps tenants by providing an affordable housing option with a HCV, and short-term services and resources that support program participants during and shortly after their move from PSH to an HCV.

PSH providers use a common assessment tool to identify those individuals and families that have reached a level of stability that makes them a good transition to the HCV Program. These individuals and families will then be placed on the waiting list for this Moving-Up Pilot.

The PHA has agreed to accept referrals from a CoC PSH program or other similar state or federally funded programs as the need arises.

### **PART VIII. MICHIGAN DEPARTMENT OF CORRECTIONS AND MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES INITIATIVES**

The PHA has implemented initiatives, in collaboration with the Michigan Department of Corrections (MDOC) and the Michigan Department of Health and Human Services (MDHHS) that enables individuals under the supervision of the MDOC or MDHHS, an opportunity for greater self-sufficiency, success, and independence through housing and service coordination programs.

The PHA has allocated Housing Choice Vouchers to be used in conjunction with these initiatives. Eligible individuals are referred to the Authority’s MDOC and MDHHS waiting list by the MDOC or MDHHS assigned referral agency. Among other criteria, the applicant family must be willing to engage in a jointly developed plan supporting housing and stability throughout their participation in this initiative.

### **PART IX. STATE INNOVATION MODEL (SIM) AND FREQUENT USERS SYSTEMS ENGAGEMENT (FUSE) PILOT**

The PHA has partnered with the Michigan Department of Health and Human Services to design a pilot program that will provide housing and supportive services to super utilizers of Medicaid that are also experiencing homelessness.

The SIM pilot will use a small portion of the PHA’s Housing Choice Vouchers for citizens that have very high utilization levels of emergency departments and emergency services and are also experiencing homelessness.

## CHAPTER 19

The goal of the pilot is to show that with housing and supportive services that these individuals will improve their use of primary and preventative health care and achieve better health outcomes while lowering their overall Medicaid usage. The PHA will initially allocate up to 200 Housing Choice Vouchers to be used in conjunction with this pilot program and may increase the allocation if additional pilot locations are included.

The PHA will also consider Frequent Users Systems Engagement (FUSE) programs, the Washtenaw Re-entry Initiative, and similar programs, as eligible programs to receive an allocation of Housing Choice Vouchers under the SIM pilot.

### **PART X: RECOVERY HOUSING PILOT**

The PHA has set aside fifty (50) Housing Choice Vouchers to be used as project-based voucher assistance at Andy's Place located in Jackson County. Andy's Place is a Permanent Supportive Recovering Housing Project developed in collaboration with local Treatment Courts. The housing brings Drug Court treatment services into this property, efficiently linking participants with services. The goal of the project is to address homelessness and housing instability issues for those successfully participating in treatment court by providing a residence in a supervised, drug free environment to increase successful drug treatment outcomes and a long-term solution for achievement of better health and housing outcomes.

The Treatment Courts consist of the Jackson County Circuit Court, Calhoun County Court, Hillsdale County Treatment Court, the 55<sup>th</sup> District Court in Mason and 28<sup>th</sup> District Court in Hillsdale. Treatment Courts are designed to address the underlying substance use disorders and mental health issue of offenders. Treatment Courts operate as a team, including the Judge, Prosecutor, Defense Lawyer, Treatment Providers and Probation Staff.

The Treatment Courts refer prospective applicants to apply for tenancy at Andy's Place and communicate with all partners to assist in the provision of supportive services for the tenants.

Support services for tenants are provided by Jackson-Hillsdale County Mental Health Board – Lifeways, Victory Clinical Services III, and Jackson County Adult Treatment Court Intensive Outpatient Treatment, acting as independent contractors of the Treatment Courts with additional services provided by the local Community Action Agency's On-Site Coordinator. The Coordinator provides social services to complement services provided through the Treatment Court's independent contractors. The Coordinator works with the Treatment Court's support service provider to coordinate individual service plans and implementation.

In order to be eligible for project-based voucher assistance under this pilot program, a recovery housing project application must be reviewed and approved by the Recovery Housing Steering Committee and must have received a Low-Income Housing Tax Credit (LIHTC) reservation or other PHA funding within the past three (3) years, demonstrating that all the Qualified Allocation Plan (QAP) requirements have been met. In addition, all HCV project-based voucher regulations and requirements in Chapter 17 of the PHA's Administrative Plan must be met.

The PHA may elect to allocate additional Project Based Vouchers to similar developments in the future.

## CHAPTER 19

### **PART XI: HOUSING MOBILITY PILOT PROGRAM**

The Michigan Housing and Community Development Fund (HCDF)/ United States Department of Treasury American Rescue Plan Coronavirus State and Local Fiscal Recovery Funds (ARP-SLFRF) have been utilized as a grant mechanism within the Authority's Rental Assistance and Homeless Solutions division for the creation of an HCV Mobility Program pilot.

The HCV Mobility Program provides services in Kent, Macomb, and Oakland counties, where HCV families encounter barriers in leasing in high-opportunity areas, experience housing retention and stability challenges, and are disproportionately impacted and/or lack equal access to housing programs.

The Housing Mobility Pilot Program combines vouchers, supportive services, and financial assistance to help eligible families move to high-opportunity areas. The Housing Mobility program is available to a limited number of current PHA HCV participants that:

- have been participating for at least one year, and
- are in good standing with the PHA and their landlord, and
- have at least one child under 17 years old on the family composition, and
- have income at or below 30% of the area median income (AMI).