

Chapter 12

RECERTIFICATIONS

[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, the HOC will reexamine the income and household composition of all participant families at least annually, except for those with a fixed source of income who may be eligible for reexamination only once every three years. Participant families will be provided accurate annual and interim rent adjustments. Recertification and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulation. It is a HUD requirement that families report all changes in household composition. This Chapter defines HOC's policy for conducting recertification and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

HOC must conduct three activities on an annual basis. These activities will be coordinated whenever possible:

1. Recertification of Income and Family Composition (except for those with a fixed income)
2. NSPIRE/HQS Inspection
3. Rent to Owner Adjustment (following HUD requirements)

HOC produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to Total Tenant Payment/Family Share can be made. Requests for rent adjustments and other monetary changes will be transmitted to the Housing Resources Division.

Reexamination of the family's income and composition must be conducted at least annually.

Annual inspections: See "Housing Quality Standards and Inspections" chapter.

Rent Adjustments: See "Owner Rents, Rent Reasonableness and Payment Standards" chapter.

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B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be recertified at least annually, except for those with a fixed source of income who may be eligible for reexamination only once every three years. At the first interim or annual certification on or after June 19, 1995, family members must report and verify their U.S. citizenship/eligible immigrant status.

1. HOC must conduct a reexamination of family income and composition at least annually.
2. Except as provided in this chapter for fixed income participant families, HOC must obtain and document in the tenant file third-party verification of the following factors, or must document in the tenant file why third-party verification was not available:
 - a. Reported family annual income;
 - b. The value of assets;
 - c. Expenses related to deductions from annual income; and
 - d. Other factors that affect the determination of adjusted income.
3. HOC must obtain third-party verification of all family assets every 3 years.

Fixed-Income Families

At HOC's discretion income determinations for any family member with a fixed source of income may result in reexamination only once every three years, instead of annually. Note that the family member may also have non-fixed sources of income, which remain subject to third-party verification. Upon request of the family, HOC must perform third-party verification of all income sources. Note that this provision pertains only to the verification of sources of income; HOC must continue to conduct third-party verification of deductions. For purposes of this Notice, the term "fixed-income" includes income from:

- Social Security payments, to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);
- Federal, state, local, and private pension plans;
- Other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic payments; and
- Any other source of income subject to adjustment by a verifiable COLA or current rate of interest.

This determination will be made by applying a verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount. The COLA or current interest rate applicable to each source of fixed income must be obtained either from a

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public source or from tenant provided, third-party generated documentation. In the absence of such verification for any source of fixed income, third-party verification of income amounts must be obtained.

For any family member whose income is determined pursuant to this streamlined fixed-income determination, third-party verification of all income amounts for all family members must be performed at least every three years. This means that, for the third income determination involving a family member whose income had been adjusted twice using a streamlined income determination, HOC would need to obtain third-party verification of all income amounts. This also means that if a family member with a fixed income source is added to the family during year two, for example, then HOC must obtain third-party verification of all income amounts for that family member at the next reexamination if HOC wishes to have all family members with fixed incomes on the same schedule with respect to streamlined annual reexaminations.

Moves between Reexaminations

When families move to another dwelling unit, the anniversary date for the recertification will be changed.

Income limits are not used as a test for continued eligibility at recertification.

Reexamination Notice to the Family

HOC will maintain a reexamination tracking system and the household will be notified electronically or by mail of the date and time for their interview at least 120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, HOC will provide the notice in an accessible format. HOC will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

Completion of Annual Recertification

HOC's procedure for conducting annual recertifications is to contact the family 120 days before the recertification date. Recertifications are sent electronically and by mail. The family must submit the annual recertification packet and supporting documents within 15 days of receiving the recertification notification. If the family does not respond to the initial notice, a subsequent Notice to Cure Letter will be sent. Failure to respond to the Notice to Cure letter will result in a termination notice.

Persons with Disabilities

Persons with disabilities who are unable to visit HOC's office will be granted a reasonable accommodation, which may include conducting the interview in the participant's home, in a

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designated community space, by mail, or through a virtual platform. This accommodation will be provided upon verification that the request aligns with the needs presented by the disability.

Collection of Information [24 CFR 982.516(0)]

HOC has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

HOC will require the family to complete a Personal Declaration Form prior to all recertification interviews.

Failure to Respond to Notification to Recertify

If the family does not complete the recertification by the due date or makes prior arrangements with HOC, HOC will send a second notice to complete the recertification.

If the family fails to complete by the deadline or made prior arrangements, HOC will:

Send family notice of termination and offer them an informal hearing.

Exceptions to these policies may be made by the Housing Specialist if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability. Written notification will be sent to the owner and family of the reschedule appointment.

Documents Required From the Family

In the notification letter to the family, HOC will include instructions for the family to bring the completed Recertification Packet, along with supporting documentation. HOC will periodically require the family to submit documentation to support special needs including live-in attendants, equipment or other items as specified by a reliable, knowledgeable professional such as a doctor, social worker or caseworker.

Verification of Information

HOC will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 60 days old.

Tenant Rent Increase

If tenant rent increases, a 30 day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

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If less than 30 days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following the 30 day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

Tenant Rent Decreases

If tenant rent decreases at the annual recertification, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by HOC.

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

Program participants must report all changes in household composition to HOC between annual reexaminations within 10 business days of the change. This includes additions due to birth, adoption and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.

New family members that can be added are additions due to birth, adoption and court awarded custody. Exceptions may be made as a reasonable accommodation for a live-in aide, or adding a spouse or significant other, an elderly relative in an effort to improve the quality of life of the relative, or a returning household member under the age of 21.

HOC will verify that the family member to be added has been approved by the current landlord. This verification shall be provided by the landlord in writing. HOC will determine the eligibility of the individual prior to addition. Once the individual is approved for addition, a revised contract addendum is required to be executed and a new lease or lease amendment will be necessary.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

A family may request an interim determination of family income or composition because of any changes since the last determination. HOC must conduct any interim reexamination within a reasonable period of time after the family request or when HOC becomes aware of an increase in family adjusted income. What qualifies as a “reasonable time” may vary based on the amount of

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time it takes to verify information, but generally should not be longer than 30 days after changes in income are reported. HOC is not required to generate EIV reports for interim determinations.

Increase in Income

The PHAHOC must conduct an interim reexamination of family income when the PHAHOC becomes aware that the family's adjusted income (as defined in 24 CFR § 5.611 of this title) has changed by an amount that the PHAHOC estimates will result in an increase of ten percent (10%) or more in annual adjusted income or such other amount established by HUD through notice, except: HOC may not consider any increase in the earned income of the family when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction under paragraph (c)(1) of this section during the certification period; and HOC may choose not to conduct an interim reexamination in the last three months of a certification period.

Decrease in Income

Participants may report a decrease in income and other changes that would reduce the amount of tenant rent, such as an increase in allowances or deductions. HOC must calculate the change if a decrease in income is reported.

HOC may decline to conduct an interim reexamination of family income if the PHAHOC estimates the family's adjusted income will decrease by an amount that is less than ten percent (10%) of the family's annual adjusted income (or a lower amount established by HUD through notice), or a lower threshold established by HOC.

PHA Errors

HOC will take any corrective action necessary to credit or repay a family if the family has been overcharged for their rent or family share as a result of an error (including a de minimis error) in the income determination. Families will not be required to repay the PHAHOC in instances where the PHAHOC has miscalculated income resulting in a family being undercharged for rent or family share. A de minimis error is an error where the PHAHOC determination of family income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income (\$360 in annual adjusted income).

If HOC makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

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HOC will not reduce the family share of rent for families whose welfare assistance is reduced specifically because of:

- fraud; or
- failure to participate in an economic self-sufficiency program; or
- non-compliance with a work activities requirement.

However, HOC will reduce the rent if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment.

HOC will notify affected families that they have the right to an informal hearing regarding these requirements. (See "Verification Procedures" chapter.)

Cooperation Agreements

HOC cooperates with the local welfare agency to ensure timely and accurate verification of noncompliance.

HOC has taken a proactive approach to culminating an effective working relationship between HOC and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Section 8 tenant-based assistance families.

HOC and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.

D. NOTIFICATION OF RESULTS OF RECERTIFICATIONS [HUD Notice PIH 98-6]

The HUD form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. If the family disagrees with the rent adjustment, they may request an informal hearing within 10-business days of the notice.

E. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

[24 CFR 982.516(c)]

All HOTMA changes are noted in [Green](#)

Standard for Timely Reporting of Changes

If required by HOC, families will report interim changes to HOC within 10- business days of when the change occurs. An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within 10- business days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures when the Change is Reported in a Timely Manner

Refer to procedures in Chapter 7, Verification Procedures.

Procedures when the Change is Not Reported by the Family in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

Increase in Tenant Rent- will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement.

Decrease in Tenant Rent- a retroactive family share and family rent to owner decrease may not be applied prior to the later of the first of the month following:

- The date of the change leading to the interim reexamination of family income; or
- The effective date of the family's most recent previous interim or annual reexamination (or initial examination if that was the family's last examination).

Procedures when the Change is Not Processed by HOC in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by HOC in a timely manner.

In this case, an increase will be effective after the required 30 days' notice prior to the first of the month after completion of processing by HOC.

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If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

F. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES [24 CFR 982.516(c)]

See "Subsidy Standards" chapter.

G. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.518]

Under the Non-citizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The Non-citizens Rule was implemented on or after November 29, 1996, and mixed families may receive prorated assistance only.

H. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, HOC may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum.)

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