



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

RULE §10.624

Compliance Requirements for Developments with 811 PRA Units

(a) 811 PRA will be monitored for compliance with the HUD 4350.3 Handbook and HUD Notice 2013-24, as amended from time to time.

(b) Compliance with 811 PRA requirements may be monitored annually throughout the term of the Participation Agreement, either through an onsite review or a desk review.

(c) Program and property requirements:

(1) Development Owners that have agreed to participate in the Section 811 PRA program are required to notify the Department about the availability of Units, notices of termination, and outcomes of referred applications as described in accordance with §8.6 of this title (relating to Program Regulations and Requirements).

(2) Adjusted income shall be determined consistent with the Section 8 Program administered by HUD, using the definitions of adjusted income described in 24 CFR §5.611 as further described in the HUD Handbook 4350.3, as amended from time to time. During the following certifications, Owners must certify and document annual income, adjusted income, and tenant rents: Move-In, Interim, Annual, and Initial. A Unit designated for the 811 PRA program may not be designated at the 30% AMI for any other Department program.

(3) Files for households assisted under the 811 PRA program must document the household's eligibility for the program, the deductions for which the household qualifies and the following HUD forms (or any subsequent HUD form number):

- (A) Development application,
- (B) Documentation screening for eligible deductions,
- (C) Verification(s) of income, assets, and eligible deductions,
- (D) Verification(s) for students,
- (E) Section 811 Project Rental Assistance Application,
- (F) Self-certification of disposed of assets,



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

(G) Verification of Information Provided by Applicants and Tenants of Assisted Housing: HUD-9887-A

(H) Notice and Consent for the Release of Information: HUD-9887,

(I) Verification of disability: HUD-90102,

(J) Tenant acknowledgment of the "How your rent is determined" fact sheet,

(K) Tenant acknowledgment of the "Resident Rights and Responsibilities" brochure,

(L) Tenant acknowledgment of the "EIV and You" brochure,

(M) Tenant selection plan or acknowledgment page for the 811 PRA program,

(N) Verification(s) of age(s),

(O) Verification(s) of Social Security number(s),

(P) Screening for drug abuse, lifetime sex offender, and other criminal activity,

(Q) Supplement to Application for Federally Assisted Housing: HUD-92006,

(R) Annual Recertification Initial Notice,

(S) Annual Recertification First Reminder Notice,

(T) Annual Recertification Second Reminder Notice (when applicable),

(U) Annual Recertification Third Reminder Notice (when applicable),

(V) Notices of increases or decreases in tenant rents or utility reimbursements,

(W) Notices of change on house or pet rules,

(X) Race and Ethnic Data Reporting form: HUD-27061-H,

(Y) Annual unit inspection,

(Z) HUD model lease HUD-92236-PRA with required addenda,

(AA) Document evidencing compliance with occupancy requirements for households occupying bedroom sizes larger or smaller than normally appropriate,



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

(BB) Tenant ledger, including all transactions, and documentation supporting the actual out-of-pocket costs for permissible fees,

(CC) Documentation supporting HUD-50059 and HUD-50059-A certifications,

(DD) EIV Existing Tenant Search and documentation to resolve discrepancies,

(EE) Documentation to resolve any discrepancy from EIV master reports,

(FF) EIV Summary Report and documentation to resolve discrepancies,

(GG) EIV Income Report and Income Discrepancy Report and any documentation to resolve discrepancies,

(HH) Move-out paperwork:

(i) Notice of move-out inspection,

(ii) Move-out inspection,

(iii) Evidence of security and pet deposit refunding (when applicable),

(iv) Itemized list of any charges (unpaid rent, damages to the unit, etc.),

(v) Tenant rent ledger (including all debts, credits, and balances),

(vi) Correspondences between former tenant disputing charges,

(vii) Tenant notices related to moving out (notices to vacate, lease violations, etc.).

(4) The tenant file must contain an executed HUD model lease HUD-92236-PRA. No other lease contract or addenda is permitted, except those listed here. Attached to the HUD-92236-PRA, must be the following addenda:

(A) Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures: HUD-50059 (original and corrected versions),

(B) Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures: HUD-50059-A (original and corrected versions for unit transfers, move-outs, gross rent changes, etc.),



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

(C) Move-in inspection report and waiver of right to be present during move-in inspection when applicable,

(D) House rules,

(E) Lead-based paint disclosure form as further outlined in §10.613(f) of this Title (relating to Lease Requirements) (as applicable),

(F) Pet rules (if applicable),

(G) Live-in Aide, (if applicable),

(H) Bedbug addendum (if elected),

(I) 811 PRA Units are prohibited from using the expired 2005 VAWA lease addendum. After OMB approval of a VAWA lease addendum, all 811 PRA households must have a valid and executed VAWA lease addendum, and

(J) As a requirement of the 10 TAC §10.613 of this subchapter, there are no liens or lockouts for unpaid sums. As the HUD Model lease does not include these requirements, the Department-approved addendum must be included with the HUD Model Lease to incorporate these provisions in accordance with Texas Government Code 2306.6738.

(5) Household unit transfer requirements. For the 811 PRA program, tenants may transfer to any Unit within the Development with prior Department approval. At the time of a transfer, Owners must complete a HUD-50059-A, which may adjust rents. Although a certification of annual income may be required for other layered programs, a HUD-50059 and income certification should not be conducted at the time of transfer for the 811 PRA program. Annual recertifications are due on the anniversary date the household originally moved into the Development. Households that are under-housed or over-housed may be required to transfer to comply with occupancy requirements.

(6) Special rules regarding rents and fees. Tenants are required only to pay the Tenant Rent portion of rent and may not be held responsible for Assistance Payments. Owners may not charge application fees, must cap the security and pet deposits, and may not charge impermissible fees. An employee may not occupy an 811 PRA unit. Owners must adjust rent as required under the program.



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

(7) Monitoring for eligibility

(A) The household must include at least one person with a disability and who is 18 years of age or older and less than 62 years of age at the time of admission into the Development; and the person with a disability must be part of one or more of the target populations for the 811 PRA program.

(B) The household's income is less than the extremely low income limit at move in.

(C) The Owner must check the following criminal history of the household. Households in the 811 PRA program must not include:

(i) Any member(s) who was evicted in the last three years from federally assisted housing for drug-related criminal activity;

(ii) Any member that is currently engaged in illegal use of drugs or for which the Owner has reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents; and

(iii) Any member who is subject to a State sex offender lifetime registration requirement.

(D) Student Status. If the household includes a student, the student must meet all of the criteria described in HUD Handbook 4350.3 par. 3-13B, as modified by the September 21, 2016, Federal Register Notice 5969-N-01.

(8) Developments must prominently display 11 x 14 inch sized, as required by 24 CFR Part 110, Fair Housing Poster HUD-928.1 (English), HUD 928.1A (Spanish), and in other languages as required by Limited English Proficiency Requirements.

(9) Number, Unit Mix, and Segregation of Assisted Units. The Department will monitor that the Owners of Participating Developments have set aside and made available on a continuous basis for Eligible Applicants the required number of Assisted Units and unit mix of bedroom sizes as required under the Rental Assistance Contract, as amended. Owners may not segregate Eligible Tenants to one area of a building or in certain sections within the Development. If an Owner is not able to meet these requirements, documentation must be maintained and available upon request to demonstrate good faith efforts to meet their obligations.



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

(d) Eligibility for assistance and occupancy.

(1) Income limits. At Move-In and Initial Certification, the household must be at or below the current extremely-low limit (30 percent AMI) as published and updated annually by HUD. Income limits do not apply at Annual Recertification or Interim Recertification. An adult child is not eligible to move into a unit after initial occupancy unless they are performing the functions of a live-in aide and are eligible to be certified as a live-in aide for eligibility purposes; documentation under these circumstances must be kept in the file.

(2) Occupancy standards. Tenant files must maintain evidence that a tenant meets an exception when assigning a smaller or larger unit than required under normal circumstances or that a request for a transfer under these circumstances is denied.

(3) Verification of Family Type and Individual Status. To verify disability status, the tenant file must include a copy of the HUD-90102 (Verification of Disability) provided to the Owner at the time of referral from the 811 Administration Division at the Department.

(4) Verification of Income Eligibility. The tenant file must include a copy of the Section 811 Project Rental Assistance Program Application provided to the Owner at the time of referral from the 811 Administration Division at the Department. This document is not sufficient to screen for eligibility requirements under the program. An application that sufficiently screens for eligibility, income, assets, deductions and which complies with §10.612(a)(2) of this subchapter (relating to Tenant File Requirements) is required.

(5) A household may not be disqualified for participation in the program solely based on their citizenship status.

(e) Determining income and calculating rent.

(1) Total Tenant Payment (TTP) is the amount a tenant is expected to contribute for rent and utilities. TTP is based on the family's income. Calculation of the TTP is the greater of 30 percent of the monthly adjusted income or 10 percent of the monthly gross income. Welfare rent and a \$25 minimum rent do not apply. By the effective date found in the Rent Schedule provided by the Department, the utility allowance must be applied when calculating Tenant Rent. Please refer to §10.614 of this subchapter (relating to Utility Allowances) for details.



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

(2) A tenant is not required to reimburse the Owner for undercharges caused solely by the Owner's failure to follow HUD's procedures for computing rent or assistance payments, including calculations of Annual Income, Adjusted Income, Tenant Rent, Utility Reimbursements, security deposits, or when the Owner fails to address timely discrepancies in income as indicated in an Enterprise Income Verification (EIV) System report.

(f) Lease requirements and leasing activities

(1) Lease term. The term of the initial lease must not be for less than twelve months. The lease will automatically be renewed for successive one-month terms if a new lease is not signed.

(2) Fees and deposits.

(A) Security deposits.

(i) At the time of move-in, the Owner may collect a security deposit from each family in an amount equal to one month's Total Tenant Payment or \$50, whichever is greater.

(ii) The Owner must place the security deposit in a segregated, interest-bearing account. The balance of this account must at all times be equal to the total amount collected from the household, plus any accrued interest. The Owner must comply with any applicable State and local laws concerning interest payments on security deposits and return the security deposit to the family as required.

(B) Pet deposits. Pet rules for a development may require tenants to pay a refundable pet deposit, but apply only to those tenants who own or keep cats or dogs in their units. The pet deposit must not exceed \$300 for all pets. The deposit may be paid in full or in installments. If paid in installments, the initial deposit cannot exceed \$50 at the time the pet is brought onto the premises. The pet rules must allow for gradual accumulation of the remaining required deposits, not to exceed \$10 per month until the deposit is reached, but not prevent a tenant to pay more than \$10 per month if the household chooses to do so.

(C) Owners may not charge any deposits other than security and pet deposits as outlined in the subparagraph above.

(D) Fees prior to occupancy. Owners may not charge application fees for any cost associated with accepting and processing applications, screening applicants, or verifying income and eligibility.



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

(E) Fees during occupancy.

(i) Owners cannot charge fees for late payment of rent.

(ii) Owners may not charge any impermissible fee, such as unpaid utility bills fees (reimbursement of utility bills is permitted), pet fees, etc.

(g) Notices to tenants.

(1) Initial and reminder notices for an annual recertification.

(A) Notices must not indicate a tenant will have their tenancy terminated for failing to recertify.

(B) Notices must indicate a tenant will have their assistance terminated for failing to recertify.

(C) The Third Reminder notice must indicate that if a tenant fails to recertify, their assistance will be terminated. The notice must also inform the tenant of the new rent they will pay without the assistance.

(2) Any change in Tenant Rent or Utility Reimbursements requires a notice to the tenant, with increases requiring the notice to be at least 30 days in advance of the increase. Owners may not begin to charge or retroactively charge Tenant Rent when failing to properly notify the tenant of an increase in Tenant Rent.

(h) Terminations

(1) Termination of assistance. Tenants whose assistance is terminated may remain in the unit. Rent will be capped at the rent limit for the other Department-monitored programs under which the unit is restricted.

(2) Termination of tenancy. Refusal by a tenant to participate in or accept 811-specific services is not a basis for lease termination.

(i) Enterprise Income Verification (EIV)

(1) Owner must address discrepancies timely, which is within approximately thirty (30) days from the date of the EIV report.



Texas Administrative Code

TITLE 10	COMMUNITY DEVELOPMENT
PART 1	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10	UNIFORM MULTIFAMILY RULES
SUBCHAPTER F	COMPLIANCE MONITORING

(2) Owners must document attempts to address and resolve discrepancies between certification paperwork and data from the EIV system; however, Owners may not suspend, terminate, reduce, make a final denial of rental assistance, or take any other adverse action against an individual based solely on the data in EIV.

(3) Upon request by the Department, Owners must provide a list of staff with access to EIV systems or EIV reports. The list must provide the level of access and official title with the company for each staff member. EIV data may not be viewed or used by staff without a signed EIV Rules of Behavior, a certificate of completion dated within the last twelve (12) months for the Cyber-Awareness Challenge training (or the training required by HUD to replace this training), or without having an official and appropriate purpose for accessing the data.

(4) Upon request by the Department, Owners must provide for EIV Coordinators a Coordinator Authorization Access Form (CAAF) for initial access and annual recertification of access to EIV systems and for EIV Users a User Authorization Access Form (UAAF) for initial access and annual recertification of access to EIV systems. If a CAAF or UAAF printed from the EIV system is not available, a CAAF or UAAF executed by both the EIV user and HUD official may be accepted.

(5) Owners may not transmit to the Department EIV data or reports through the Department's Compliance Monitoring and Tracking System (CMTS).

(6) In a physical or electronic binder, Owners must maintain the following EIV Master Binder reports and summary of the resolution of any discrepancies identified:

- (A) New Hires Report
- (B) Multiple Subsidy Report
- (C) Failed EIV Pre-screening Report
- (D) Failed Verification Report (Failed SSA Identity Test)
- (E) Deceased Tenant Report
- (F) No Income Reported on 50059 (as outlined in Owner's policies and procedures)
- (G) No Income Reported by HHS or SSA (as outlined in Owner's policies and procedures)