U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000



OFFICE OF PUBLIC AND INDIAN HOUSING

Special Attention of:

Directors of HUD Regional and Field Offices of Public Housing; Agencies that Administer the Housing Choice Voucher (HCV) Program

Notice PIH 2024-30

Issued: August 20, 2024

Expires: This notice remains in effect until

amended, superseded, or rescinded.

Cross References: PIH 2020-01 (This notice updates Sections 5 (f) and (g) of PIH 2020-

01); PIH 2012-31.

Subject: Statutory and Regulatory Waivers for Mainstream Vouchers

1. Purpose

Pursuant to the Consolidated Appropriations Act, 2024 (Public Law 118-42), this notice establishes waivers and alternative requirements for Mainstream Vouchers.

2. Background

The Consolidated Appropriations Act, 2024 (Public Law 118-42) ("2024 Act") authorized the Department of Housing and Urban Development (HUD) to establish waivers and alternative requirements for Mainstream Vouchers that are necessary for the effective delivery and administration of funds. Per section 243 of the 2024 Act, HUD may waive or specify alternative requirements for Section 8(o)(6)(A) of the United States Housing Act of 1937 (1937 Act) (42 U.S.C. 1437f(o)(6)(A)) and regulatory provisions 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.

Mainstream Vouchers are special purpose vouchers for non-elderly persons with disabilities that are subject to the requirements in Section 8(o) of the 1937 Act and 24 CFR 982 except as provided in this notice and any subsequent notice issued by HUD. However, funding and reporting for Mainstream Vouchers is separate from the HCV program.

In targeting housing assistance to non-elderly persons with disabilities and their families, particularly those transitioning out of institutions or at serious risk of institutionalization, Mainstream Vouchers help further the goals of the Americans with Disabilities Act (ADA). One specific goal under the ADA is to ensure that services, programs, and

activities are provided by public entities in the most integrated setting appropriate to the needs of persons with disabilities. In *Olmstead v L.C.* 527 U.S. 581 (1999), the United States Supreme Court affirmed the rights of persons with disabilities under the ADA to participate in community living. Recognizing that housing plays a central role in supporting community integration, HUD's policy priorities for Mainstream Vouchers reflect its commitment to help public housing agencies (PHA) further localities' and states' implementation of *Olmstead*-related efforts and compliance with the ADA.

The waivers and alternative requirements described below are intended to provide programmatic flexibilities to help PHAs improve Mainstream utilization and more successfully target Mainstream-eligible populations, including persons exiting institutions or at serious risk of institutionalization. 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. *See also* Statement of the Department of Housing and Urban Development on the Role of Housing in Accomplishing the Goals of *Olmstead*, https://www.hud.gov/sites/documents/OLMSTEADGUIDNC060413.PDF (Question 3).

3. Applicability

The waivers and alternative requirements listed below are applicable to all PHAs awarded Mainstream Vouchers and PHAs that administer Mainstream Vouchers through a portability billing arrangement. This Notice does not apply to Non-Elderly Disabled (NED) Vouchers or "Mainstream 1 Year" Vouchers.

4. Effective Date

This notice is effective upon publication.

5. Compliance Date

PHAs must adopt the mandatory policies described in Section 6 within 120 days from publication of this notice.

- **6. Mandatory Program Policies**: This section describes the mandatory waivers and alternative requirements that HUD is establishing for Mainstream Vouchers. A summary of the mandatory waivers and alternative requirements is included in Attachment I of this notice.
 - **a. Initial Search Term.** Many Mainstream Voucher applicants face challenges in their housing search. Tight rental markets coupled with specific unit needs (e.g., accessible units, units near medical or supportive services, units near public transit, units meeting other disability-related needs, etc.) may require applicants to need

additional time to search for a suitable unit. HUD is waiving 24 Code of Federal Regulations (CFR) 982.303(a), which requires an initial search term of at least 60 days, and establishing an alternative requirement that the initial search term for a Mainstream Voucher must 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, in accordance with 24 CFR 982 subpart H.

When issuing a Mainstream Voucher, PHAs 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 (24 CFR 8.28(a)(3)).

b. Extensions of Term. The PHA's administrative plan must describe its policies for granting extensions of the initial 120-day term (24 CFR 982.303(b)(1)) and provide clear instructions to families on the procedures for requesting an extension. If a family requires additional time for their unit search, PHAs are required to provide an extension as part of a reasonable accommodation under Section 504 of the Rehabilitation Act and HUD's Section 504 requirements (24 CFR part 8; See also 24 CFR 982.303(b)(2)). While all Mainstream Voucher applicants include a family member with a disability and are eligible for an extension as part of a reasonable accommodation, PHAs have considerable discretion in the details they may establish for their general extension policy under (24 CFR 982.303(b)(1)) outside of the context of reasonable accommodations, including the deadline for requesting an extension and the length of the extension. National voucher success rates and median search times indicate that, on average, Mainstream Voucher applicants take longer to lease than HCV applicants and are more likely to ultimately be unsuccessful in using their voucher compared to other special purpose voucher applicants. As discussed above in Section 6(a), multiple circumstances may contribute to the barriers that Mainstream Voucher applicants experience in successfully leasing.

Given the challenges Mainstream Voucher applicants may face in securing a unit, applicants should be provided with flexible extension policies. To support this need, HUD is waiving 24 CFR 982.303(b)(1) and establishing an alternative requirement for the process of requesting search extensions. PHAs must adopt an extension policy for Mainstream Vouchers that includes the following: 1) each extension must be for a minimum of 90 days, 2) 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 term expiration date and is consistent with applicable requirements; subsequent requests should be processed in accordance with the PHA's administrative plan, and 3) the PHA must, on at least one occasion after voucher issuance, notify the family 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 family is in need of assistance with their housing search. PHAs should be aware that families may require more than the minimum required initial extension to successfully lease up and must grant additional extensions if requested in accordance with the PHA's administration plan.

As part of its search extension policy, PHAs may not restrict a first extension approval to certain circumstances or require documentation from applicants. For all extension requests, the written or verbal request is sufficient. Note that this alternative requirement also applies to current Mainstream Voucher participants who choose to move to a new unit with continued assistance inside or outside the PHA's jurisdiction, in accordance with 24 CFR 982 subpart H. In providing notice to families of the expiration date and extension request process, PHAs must ensure effective communication with persons with disabilities, including those with vision, hearing, speech, intellectual or other developmental disabilities, or any other communication-related disabilities.

While HUD is establishing an alternative requirement to 24 CFR 982.303(b)(1), HUD reminds PHAs that 24 CFR 982.303(b)(2) requires PHAs to approve all extensions made as part of a reasonable accommodation and PHAs must provide this information during the family briefing (24 CFR 982.301(a)).

- c. Residency Preference. Because Mainstream Vouchers are intended to facilitate access to housing for individuals with disabilities, including for individuals who reside in institutional or other segregated settings that may not be located in the geographic area that is typically served by a PHA, a residency preference may prevent an otherwise eligible applicant from accessing Mainstream Vouchers. Consequently, HUD is waiving Section 8(o)(6)(A) of the 1937 Act and 24 CFR 982.207(b)(1) and establishing an alternative requirement under which a PHA cannot apply a residency preference to Mainstream Voucher applicants.
- 7. **Discretionary Program Policies.** This section describes the optional waivers that HUD is establishing for Mainstream Vouchers. PHAs may choose, but are not required, to adopt any optional waivers. PHAs that choose to adopt any of the optional waivers described below must describe those policies in their administrative plan (24 CFR 982.54(d)(1)). A summary of the optional waivers is included in Attachment I of this notice.
 - a. Waiting Lists. HCV regulations require PHAs to use a single waiting list for admission to its Section 8 tenant-based assistance program. Accordingly, PHAs select Mainstream Voucher applicants from its HCV waiting list (24 CFR 982.204(f)). This requirement has led to challenges for some PHAs in administering Mainstream Vouchers, as it can be time-consuming and burdensome to identify eligible applicants from long HCV waiting lists. Further, PHAs may find it challenging to identify eligible applicants if the PHA has an established preference for targeted subgroups identified in a Mainstream Voucher Notice of Funding Opportunity (NOFO), such as persons transitioning out of institutional or other segregated settings.¹

To assist PHAs in identifying eligible applicants and enable PHAs to more effectively

4

¹ The <u>2017 Mainstream Voucher NOFO</u> and <u>2019 Mainstream Voucher NOFO</u> provided points to PHAs certifying a plan to adopt a preference for certain subgroups.

allocate Mainstream Vouchers, HUD is waiving 24 CFR 982.204(f) and establishing an optional waiver to maintain a separate Mainstream waiting list.

Successful establishment of a separate Mainstream Voucher waiting list requires PHAs to have or to obtain applicants' disability status to determine eligibility for Mainstream Vouchers so they can be placed on the Mainstream Voucher waiting list. To expedite issuance of Mainstream Vouchers under this notice, PHAs should determine as quickly as possible which applicants on the existing HCV waiting list are families that include non-elderly individuals who have a disability that qualifies them for Mainstream Vouchers if this information has not already been collected. That information will facilitate the prompt and effective notification of existing applicants that qualify for Mainstream Vouchers or nondiscriminatory preferences described in this notice. PHAs may obtain disability status by direct outreach to families who are currently on the HCV waiting list. HUD encourages PHAs to collect information on disability status for all applicants at the preapplication and/or the application stages.

If a PHA chooses to create a separate Mainstream Voucher waiting list, the PHA must ensure effective communication of notice is provided to ensure that families on its HCV waiting list are informed of the separate Mainstream Voucher waiting list and have an opportunity to be placed on the list. In providing this notice, PHAs must ensure effective communication of this change to persons with disabilities, including persons with vision, hearing, speech, intellectual or developmental disabilities, or any other communication-related disabilities. Effective communication is especially significant because Mainstream Vouchers are intended to serve individuals with disabilities.

PHAs must ensure effective communication of notice is provided by taking a combination of actions, which may include:

- individually notifying families that identified as having a family member with a disability at the time of application or pre-application;
- individually notifying a reasonable percentage of families from the top of the existing HCV waiting list given the anticipated number of Mainstream Vouchers that a PHA will be issuing in the next five years, while not denying the opportunity for any other household on the HCV waiting list to also be placed on the Mainstream Voucher waiting list;
- ensuring outreach to organizations serving persons with disabilities and service organizations so there is widespread awareness of the availability of a separate waiting list and how to access this resource;
- providing information on social media sites; and
- other communication methods.

PHAs must also inform families on the HCV waiting list of the Mainstream Voucher waiting list by either posting the information to their website or providing public notice in their communities.

When notifying families and providing notice, the PHA must describe the eligibility criteria for Mainstream Vouchers and describe the actions a family should take to be added to the Mainstream Voucher waiting list. The PHA notice should also make clear to applicants that if they decide to be included on the Mainstream waiting list, they will not lose their position on the HCV waiting list. PHAs must also take reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP). If a 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.

To support the effective administration of Mainstream Vouchers and the expeditious implementation of a separate Mainstream waiting list, PHAs may choose and are strongly encouraged to commence notifying (as described above) families on the HCV waiting list before the establishment of a separate Mainstream waiting list is formally adopted by the PHA Board of Commissioners or other authorized PHA officials in the PHA administrative plan. The PHA notice in such a case must explain that the establishment of the Mainstream waiting list is dependent on the amendment to the PHA administrative plan being formally adopted but that families are strongly encouraged to take the necessary action now to ensure that their names are placed on the Mainstream waiting list as seamlessly and expeditiously as possible. Conducting the outreach process to HCV waiting list applicants concurrently with the actions necessary to formally adopt the establishment of the separate Mainstream waiting list in the PHA administrative plan is an important consideration for PHAs that wish to implement the separate Mainstream waiting list promptly. Taking such action allows the PHA to ensure the HCV waiting list applicants are provided reasonable time to complete the actions necessary to be added to the Mainstream waiting list at its inception without having to unduly delay the implementation and the associated benefits and efficiencies offered by the Mainstream waiting list.

PHAs must allow 60 calendar days for the effective communication of notice and to provide families an opportunity to respond before issuing vouchers from the separate Mainstream waiting list. This 60-day period may commence whenever a PHA elects to do an early notification as described above. In the interim, PHAs can continue to use its HCV waitlist for issuing Mainstream Vouchers.

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. For PHAs that rely on the date and time of application in determining the order in which families are selected from the Mainstream waiting list, HUD is waiving 982.207(c)(1) and establishing as an alternative requirement that the application date and time of the family's prior HCV application must be used for those Mainstream applicants that are already on the HCV waiting list. For example, if the PHA determines the order of selection for families that qualify for the same Mainstream waiting list local preference by date of application, the date used to

determine the family's place on the waiting list compared to the other families who qualify for that preference is the date of their application for the HCV program. However, the order that families may be reached on the Mainstream waiting list compared to the regular HCV waiting list may be different depending on the local preferences the PHA establishes for the Mainstream waiting list. Selection from the Mainstream waiting list will be in accordance with local preferences that the PHA establishes for Mainstream Voucher applicants. This may result in the selection of families from the Mainstream waiting list who were not previously on the HCV waiting list ahead of those who were on the HCV waiting list based on the family's eligibility for a Mainstream applicant preference.

b. Local Preferences. While PHAs may establish local preferences based on local housing needs and priorities (24 CFR 982.207(a)), HCV regulations do not permit PHAs to establish separate preferences for Mainstream Voucher applicants. Preferences apply to all vouchers on the waiting list. HUD is waiving 24 CFR 982.207(a)(1) and establishing an optional waiver permitting PHAs to establish separate preferences for Mainstream Voucher applicants. Regardless of whether a PHA chooses to adopt separate Mainstream Voucher preferences, PHAs that claimed points for a preference in a NOFO must continue to maintain a preference for at least one of the targeted groups in the NOFO. PHAs may choose to apply NOFO preferences to its entire HCV waiting list or only to Mainstream Voucher applicants as a separate Mainstream Voucher preference.

PHAs currently have the option, without an optional waiver, to establish a preference for applicants referred from certain agencies. Using the optional waiver described in the paragraph above, PHAs may choose to establish a referral preference specifically for Mainstream Voucher applicants. Referral partners may refer potential Mainstream Voucher participants directly to the PHA for processing, and such individuals can be placed on the Mainstream waiting list. A formalized partnership with a referring agency is not required for Mainstream Voucher referrals, but HUD encourages PHAs to execute MOUs with agencies providing referrals. A sample MOU can be found here. PHAs that choose to use direct referrals from other agencies to place individuals onto their waiting list must make such information publicly available, by providing clear information on these partnerships and the direct referrals process on their website and in their administrative plan, including the names and contact information of their partnering agencies (24 CFR 982.54(d)(1)). Written documentation of these referrals must be maintained in the tenant file by the PHA.

When engaging in such partnerships and accepting referrals, PHAs must ensure that they are not discriminating based on disability type or on the basis of any other federally protected class. Referral partnerships cannot create, directly or indirectly, requirements to receive Mainstream Vouchers that may violate nondiscrimination requirements under any applicable federal civil rights laws, including Section 504 of the Rehabilitation Act (Section 504), the Fair Housing Act, Title VI of the Civil Rights Act (Title VI), the ADA, and the Age Discrimination Act, among others. This

means, for example, that a PHA cannot restrict Mainstream Vouchers to those referred by a specific state or local agency that provides services only to individuals with specific types of disabilities or diagnoses because such an arrangement would exclude individuals with other types of disabilities who are eligible to receive a Mainstream Voucher. Accordingly, if a PHA partners with such an organization, the PHA also must have a partnership with at least one organization that will accept and refer any potentially eligible applicant. Potential referral sources that may serve individuals with all types of disabilities and therefore will refer any potentially eligible applicant include Continuums of Care, Independent Living Centers, Area Agencies on Aging, and fair housing initiatives programs. So long as the PHA has a referral partnership with a source that serves all individuals regardless of types of disability, the PHA may create additional partnerships with disability-specific referral services or other sources that may not serve individuals with all types of disabilities, such as state Medicaid agencies. In implementing this referral process, a PHA cannot prioritize referrals from one referral source over others or provide any priority or preference over other referral sources in allocating vouchers and developing a waiting list. Any proposed preferences must comply with federal fair housing and civil rights authorities, including, but not limited to, the Fair Housing Act, Section 504, Title VI, the Age Discrimination Act, among others (24 CFR 5.105(a)).

These partnerships are intended to help PHAs more efficiently identify eligible beneficiaries and quickly utilize vouchers. Such partnerships also help facilitate access to individuals who are exiting institutional settings. Given the challenges in timing and ensuring a voucher is available when an individual is ready to leave an institutional setting, this type of arrangement allows an agency to better ensure a voucher will be available when an individual is ready to exit an institutional or other segregated setting, coordinate any application and screening issues, and build in time for finding a unit that meets the individual's disability-related needs. This advanced planning and coordination should help facilitate a timely move into a community-based, affordable, and integrated housing opportunity.

8. Reasonable Accommodations. As a reminder, PHAs administering Mainstream Vouchers and landlords receiving Mainstream Vouchers may need to provide various reasonable accommodations for individuals with disabilities to ensure program access. A common reasonable accommodation is providing approval for exception payment standards (24 CFR 982.503(d)(5)), so that an individual with a disability is able to rent a unit that meets their disability-related needs in terms of features, location, or other characteristics, as well as the possible need for additional space to accommodate a live-in aide or additional equipment. Other examples of types of reasonable accommodations that may be needed in HCV programs, including Mainstream Vouchers, to ensure program access include, but are not limited to: assistance in or modifications to the application process and procedures; permitting assistance animals in housing; and providing additional time or other modifications for an individual with a disability who is unable to move within a specific time period because of their disability when the individual reaches the top of a waiting list (e.g., due to hospitalization, treatment, or other disability-related reasons). In addition, a PHA is required to take appropriate steps to

ensure <u>effective communication</u> with applicants, beneficiaries, and members of the public.² This effective communication obligation is separate from and in addition to a PHA's reasonable accommodation obligations.

- **9. Information Contact.** Inquiries about this notice should be directed to MainstreamVouchers@hud.gov.
- **10. Paperwork Reduction Act.** The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C 3520). In accordance with the PRA, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. The active information collections contained in this notice have been approved under the PRA OMB Control Number 2577-0169.

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² 24 CFR 8.6 Communications (Section 504); 28 CFR part 35, Subpart E – Communications (Title II ADA).

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT



WASHINGTON, DC 20410-5000

Attachment I

Mainstream Voucher Waivers and Alternative Requirements

Item	Statutory or Regulatory	Brief Summary	Mandatory Use	Alternative Policy
Waiting Lists	24 CFR 982.204(f)	Waives the requirement that PHAs maintain one HCV waiting list.	No	PHAs may establish a waiting list separate from their HCV waiting list for Mainstream Vouchers.
Waiting Lists	24 CFR 982.207(c)(1)	Waives the requirement that date and time of application, if used by the PHA, applies only to the HCV waiting list.	No, unless establishing a separate waiting list	For PHAs that opt to establish a separate Mainstream waiting list and rely on the date and time of application method, they must rely on the date and time of application for their Mainstream waiting list as well.
Preferences	24 CFR 982.207(a)	Waives the requirement that PHAs maintain one set of HCV preferences.	No	PHAs may establish separate preferences for Mainstream Voucher applicants. PHAs that claimed points for a preference in a Notice of Funding Opportunity (NOFO) must continue to maintain a preference for at least one of the targeted groups identified in the NOFO.
Preferences	Section 8(o)(6)(A) of the United States Housing Act of 1937; 24 CFR 982.207(b)	Waives the ability for PHAs to establish a residency preference for Mainstream Voucher applicants.	Yes	A PHA may not apply any residency preference to Mainstream Voucher applicants.
Initial Search Term	24 CFR 982.303(a)	Waives the ability for PHAs to use a minimum initial search term of 60 days for Mainstream Voucher applicants.	Yes	A PHA must provide a minimum initial search term of 120 days for Mainstream Voucher applicants.

Item	Statutory or Regulatory	Brief Summary	Mandatory Use	Alternative Policy
Term Extensions	24 CFR 982.303(b)(1)	Waives the ability for PHAs to grant first extensions at its discretion.	Yes	PHAs must adopt an extension policy that includes the following features: 1) each extension must be for a minimum of 90 days, 2) the PHA must approve the first extension request, regardless of how the request is made or when it is made (written or verbal), as long as the request is made on or before the term expiration date and is consistent with applicable requirements, and 3) the PHA must, on at least one occasion after voucher issuance, notify the family 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 family is in need of assistance with their housing search.