



U.S. Department of Housing and Urban Development

Public and Indian Housing

Special Attention:
Public Housing Field Office Directors,
Public Housing Program Directors, Public Housing
Hub Directors, Public Housing Agencies

Notice PIH 2003-20 (HA)

Issued: August 29, 2003

Expires: August 31, 2004

Cross References:

24 CFR Part 982

Subject: Housing Choice Voucher Program-Homeownership Option
PHA Reporting Requirements

- 1. Purpose.** The purpose of this notice is to emphasize the importance of reporting homeownership activities under the housing choice voucher program in PIC, alert Public Housing Agencies (PHAs) that the accuracy of Form HUD 50058 submissions on families participating in the homeownership program is inadequate and problematic, and review the HUD Form 50058 reporting procedures.
- 2. Applicability.** This notice applies to PHAs that administer or are in the process of implementing the homeownership option under the housing choice voucher program.
- 3. Background.** Under the homeownership option, a PHA may use voucher assistance to help a first-time homeowner meet their monthly homeownership expenses instead of providing rental assistance. PHAs may choose to administer a homeownership voucher program but are not required to do so. The regulations for the homeownership option are found at 24 CFR 982, Subpart M. Information on families assisted under the homeownership option is reported on section 15 of the Form HUD 50058.

One of the Administration's top priorities is to expand homeownership opportunities for very low-income Americans. Implementation of the homeownership option in the housing choice voucher program can assist in achieving this objective. HUD needs PHAs to report accurate data on a timely basis in order to measure the extent to which PHAs are contributing to meeting the Administration's homeownership goal. PHAs are also reminded that accurate submission of tenant data is a PHA responsibility under its Annual Contributions Contract (ACC).

HUD has received numerous inquiries from the media and Members of Congress concerning the level of activity under the homeownership option. When compared to the results of a recent telephone survey of all PHAs, the number of homeowners identified in PIC represents less than one third of the actual participants.

In an effort to get a better understanding of the reasons for the reporting deficiencies, HUD contacted a sample of PHAs reporting homeowners to determine the reasons for any discrepancy between the actual number of homeowners assisted and those reported in the PIC system. In all of the cases analyzed by HUD and the impacted PHA, the discrepancy was caused by either PHA data input errors or problems with the PHA's vendor supplied software.

PHAs administering the homeownership option should review their data in PIC to determine its accuracy. PHAs should assess whether there is a need for staff training related to the completion of Form HUD 50058, or PHA software changes or upgrades related to the Form HUD 50058 reporting of families using the homeownership option under the voucher program. PHAs may contact HUD for assistance. PHAs should contact the primary PIC coach servicing the PHA or go online at PICHELP@HUD.GOV for assistance.

4. Reporting to PIC through Form HUD 50058. The following guidelines are provided to assist PHAs in submitting data to the PIC system.

Family Reporting Software (FRS) users:

1. When completing the Form HUD 50058, select section "1C" to request the program type in which the family is enrolled.
2. For families participating in the homeownership voucher option, select option "homeownership voucher-VO".
3. Continue through the Form HUD 50058, completing requested information until the prompt for questions "10-16" appears. Select this option and continue.
4. By selecting the "homeownership voucher-VO" option and following the prompt for sections "10-16", the system will automatically skip to section "15". This is the primary page for information pertaining to homeownership.
5. Complete section "15" and, upon completion, the system will now acknowledge the family as a homeownership voucher participant.

Vendor of choice software users:

1. Provisions or variations may exist for program type "1C" to distinguish between rental and homeownership vouchers.
2. Select the appropriate option to choose "homeownership voucher".
3. For homeownership vouchers, software needs must allow for completion of section "15" or a variation thereof.
4. If a PHA has existing software that does not support all the above, the PHA must contact the software vendor or PIC coach immediately for software upgrades.

5. Submission of Corrections. PHAs should examine and analyze all HUD Form 50058s for Homeownership Voucher Choice program participants to ensure accuracy as well as support the above information requirements stated in sections 1 and 15. If the PHA's vendor supplied software does not allow for support in these sections, the PHA will need to contact the software vendor immediately to resolve the problem. PHAs must submit corrected Forms HUD 50058 as soon as possible for each family in its voucher program that is receiving assistance under the homeownership option.

6. Paperwork Reduction Act. The information collection requirements described in this notice have been approved by the Office of Management and Budget (OMB) and assigned OMB Control Number 2577-0083 (expires 9/30/2003). In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

7. Additional Information. PHAs may contact the primary PIC coach servicing the PHA or go online at PICHELP@HUD.GOV for assistance on PIC reporting and correcting any errors in PIC. For programmatic questions or assistance on the homeownership option in the housing choice voucher program, please contact the staff in the Housing Voucher Management and Operations Division at (202) 708-0477.

/s/ _____
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for Public and Indian Housing