

Special Attention of:

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

Notice PIH 2025-12

Issued: May 13, 2025

Expires: Effective until amended, superseded, or rescinded

Supersedes: PIH Notice 2013-18

Cross Reference(s):

PIH Notice 2014-25; PIH Notice 2024-34; 24 CFR 982.1; 24 CFR 982.503; 24 CFR 888.111

Subject: Revised Guidance for Reasonable Accommodation Exception Payment Standards for the Housing Choice Voucher Program

1. Purpose

This notice provides updated guidance and clarification related to reasonable accommodation requests for exception payment standards (RA EPS) in the Housing Choice Voucher (HCV) Program, superseding *PIH Notice 2013-18: Revision for Requests for Exception Payment Standards for Persons with Disabilities as a Reasonable Accommodation.* In addition, the Housing Opportunity through Modernization Act (HOTMA) Section 102(d)(1) prohibits HUD from establishing additional requirements regarding the amount of adjusted income a family requesting a RA EPS must pay toward rent. This notice clarifies removal of the requirement that a family receiving an RA EPS must pay 40 percent of their adjusted income toward the gross rent at initial approval. This notice also clarifies circumstances in which requests for an updated exception payment standard due to rent increases or changes in the family's income should be submitted.

2. Background

Public housing agencies (PHAs) have an obligation to make their HCV programs readily accessible to and useable by persons with disabilities. Section 504 of the Rehabilitation Act of 1973 the Americans with Disabilities Act (ADA) and the Fair Housing Act¹ require PHAs to provide reasonable accommodations to rules, policies, practices, procedures, and services in order to enable an applicant or participant with a disability to have an equal opportunity to use and enjoy their housing unit, the common areas of a dwelling, housing related services

¹ See HUD/DOJ Joint Statement on Reasonable Accommodations under the Fair Housing Act

and amenities, maintenance and administrative operations, and programs and activities conducted or sponsored by the PHA.

PHAs are required to establish payment standards, which determine the maximum amount of subsidy an HCV family can receive to rent a unit.² In general, payment standards must be within the basic range (from 90 percent up to 110 percent) of the published Fair Market Rents (FMR), or Small Area FMR (SAFMR), whichever the PHA is utilizing.³ See PIH Notice 2024-34 for detailed guidance on FMRs/SAFMRs.

When a family needs a unit with specific features or a unit for another disability-related reason to accommodate a family member with a disability, and the family is unable to find a unit with those features or that otherwise meets the disability-related need within the established payment standard, the family may request an exception to the established payment standard as a reasonable accommodation. PHAs are required to evaluate each request on a case-by-case basis to ensure an RA EPS may be necessary, and that there is an identifiable relationship, or nexus, between the requested accommodation and the individual's disability. An individual is not required to follow any formal procedures or use specific words or terminology. For example, an individual with disability may discuss a need for an accessible unit or a unit in a specific location. This reasonable accommodation is a critical tool in ensuring that persons with disabilities have equal access to participate in the HCV program.

An explanation about the RA EPS must be included in the voucher briefing packet which is provided when a family is selected to participate in the HCV program⁴ as some households may not know that a higher exception payment standard is an option. Including this information in the information packet makes households aware of this option before beginning their housing search.

PHAs review and approve RA EPS requests up to 120 percent of the FMR or SAFMR, whichever the PHA is utilizing in the area where the unit is located.⁵ For example, if the PHA is using SAFMR-based exception payment standards for certain areas of their jurisdiction, then the PHA uses the published SAFMR for RA EPS requests in those areas to determine the percentage the RA EPS is in relation to the FMR/SAFMR.

RA EPS requests greater than 120 percent of the FMR/SAFMR must be reviewed and approved by HUD.⁶ PHAs are allowed a period of 90 days from the effective date of the HUD-published⁷ FMRs/SAFMRs to update their payment standard schedules to be within the basic range (90-110 percent of the FMR/SAFMR). However, the RA EPS is not based on the PHA's regular payment standard schedule. What matters is the percentage of the EPS to the FMR/SAFMR, to determine whether HUD approval is required. Therefore, when

² 24 CFR 982.503(a)(2)

³ 24 CFR 982.503(c). Note that there are a variety of regulatory options for PHAs to adopt a payment standard higher than 110% of the FMR or SAFMR.

⁴ 24 CFR 982.301(b)(10)

⁵ 24 CFR 982.503(d)(5)

⁶ 24 CFR 982.503(d)(5)

⁷ Fair Market Rents | HUD USER and Small Area Fair Market Rents | HUD USER

evaluating an RA EPS, PHAs are to use the current published FMR/SAFMR to determine if HUD approval is required, even when the PHA's updated payment standard schedule is not yet in effect. Prior to submitting the request to HUD, PHAs should have adequately reviewed the request in accordance with the guidance in Section 3 of this notice. Section 4 of this notice describes how to submit these requests to HUD.

3. <u>RA EPS Review Process</u>

This section provides guidance on how to review RA EPS requests. PHAs must have a process in place to review RA EPS requests, in accordance with program regulations at Title 24 Code of Federal Regulations (CFR) 982.503 and in accordance with their obligations under federal fair housing and civil rights authorities.

A. Determine Disability-related need for an EPS

For an RA EPS, there must be a disability-related need for a particular unit (which may include location) where the gross rent is above the PHA's payment standard for that unit size. If the disability and/or disability-related need is obvious, readily apparent or already known, the PHA cannot request additional information about the individual's disability or disability-related need. In some circumstances, an individual with a disability may have already provided information verifying their disability with tenant-provided documents (e.g., Veteran Disability Benefits letter, Supplemental Security Income award letter, Social Security Disability Insurance award letter or SSDI monthly statements).

If the disability-related need for the particular unit is not obvious, readily apparent or known, the PHA may only request information necessary to evaluate the disability-related need for the unit.⁸ An individual may provide documentation from a doctor or other medical professional, a peer support group, a non-medical service agency, or a qualified third party who is in a position to know about the individual's disability and the need for the accommodation. This documentation does not need to be current, as long as the information provided is still relevant. Persons with disabilities typically have the most accurate knowledge about the functional limitations posed by their disability.

The PHA must confirm that there is a nexus between the disability and the accommodation requested. To preserve the individual's privacy to the greatest extent possible, the PHA should not inquire about the nature or severity of any disability. The PHA must seek the least amount of information needed to confirm that the requester is an individual with a disability and that there is a nexus between the disability and the accommodation requested (see next section).

As a best practice, documentation should be dated and include the following general information:

- The individual's name
- The type of reasonable accommodation sought; with a nexus between the disability

^{8 24} CFR 8.4, 8.20, 8.33.

and the specific features of a unit, building, location, etc. needed to meet their disability-related need

Examples of circumstances that may qualify for an RA EPS include, but are not limited to:

- Accessibility features such as accessible bathrooms or larger doorways
- Access to ground-level units or elevators for wheelchair/mobility devices
- Units with features to benefit individuals with hearing or visual impairments
- Proximity to medical providers or other services/supports
- Accessible parking on the premises
- Accessible to essential services or daily life activities
- Proximity to public transit or to other accessible transportation
- Location with sidewalks for individuals who use wheelchairs/mobility devices

B. Determine Rent Reasonableness and Process Approval

Once a disability-related need has been established for the RA EPS, the PHA must determine that the rent is reasonable in comparison to other comparable unassisted units. For a family that requires an accessible unit, a unit in close proximity to medical services, or a particular unit due to another disability-related reason, the accessible features, location, or other particulars of the unit must be considered in determining rent reasonableness in accordance with 24 CFR 982.507 (e.g., an unassisted unit with the same accessible features, location, etc.).

PHAs may approve RA EPS requests up to 120 percent of the FMR/SAFMR without HUD approval. RA EPS requests that are greater than 120 percent must be approved by HUD. See Section 4 of this notice for documentation requirements.

The RA EPS is effective no earlier than the date of the PHA or HUD's approval, whichever is applicable.

4. <u>Requirements for Submission of Exception Payment Standard Requests to HUD</u>

If a PHA determines that an exception payment standard higher than 120 percent of the FMR/SAFMR for the unit size may be necessary as a reasonable accommodation, the PHA must submit a request to the appropriate HUD field office;⁹ the field office reviews for completeness and then forwards the RA EPS request to the appropriate program office at HUD Headquarters for approval. The PHA must provide the following information in the request:

- A. The head of household's first and last name.
- B. Whether the family is an applicant or participant family.
- C. The address of the unit requested for the RA EPS. The family must have submitted a Request for Tenancy Approval (RTA) for a specific unit to the PHA; however, the

⁹ 24 CFR 982.503(d)(5)

RTA does not need to be included in the request to HUD.

- D. Number of household members, including live-in aide(s).
- E. Family unit size (voucher size) the family is issued under the PHA's subsidy standards or any exception to those standards granted through a reasonable accommodation request. Note: HUD will not approve RA EPS requests where the voucher size is smaller than the unit size. PHAs must provide a larger subsidy standard that may be necessary as a reasonable accommodation.¹⁰ PHAs do not need HUD approval to grant an exception to their subsidy standards and must make that determination prior to submitting an RA EPS request to HUD.¹¹
- F. The FMR or SAFMR (whichever the PHA is using in the area where the unit is located) for the actual unit size.
- G. Rent to owner and utility allowance for the unit.
- H. The family's monthly adjusted income.
- I. A description of the nexus between the disability related needs of the family and the features of the unit, which can include accessibility, proximity to medical providers or support services, proximity to a caregiver or other support networks, etc. If the disability-related need is known, obvious, or readily apparent, the PHA must include a statement to that effect and therefore third-party documentation is not required. When either the disability or the need for the requested accommodation is not known or readily apparent, a statement from a qualified third party who is in a position to know about the individual's disability regarding the need for the reasonable accommodation. Statements from a qualified third party should assist in identifying a nexus between the family's disability-related need for a specific unit or location, etc.
- J. A statement from the PHA that the unit meets the needs of the person with disabilities as noted in the statement from the qualified third party in cases where such statement is necessary.
- K. A statement from the PHA that there is a lack of more affordable units that meet the family's disability-related needs.
- L. The calculation for the exception payment standard request (see Appendix A for examples).
- M. A statement from the PHA that it has determined that the rent for the unit is reasonable in accordance with 24 CFR 982.507.

5. Special Housing Types

PHAs are required to permit the use of any special housing types such as shared housing if it may be necessary as a reasonable accommodation so that the program is readily accessible and usable by persons with disabilities.¹² Refer to HUD's HCV Guidebook Chapter on

¹⁰ PHAs must make an exception to their subsidy standards as a reasonable accommodation that may be necessary as a reasonable accommodation when the unit meets the disability related needs of the family. In some cases, the reason that a higher bedroom size is needed is that the features necessary to meet the accommodation are not available in the family's current voucher size.

¹¹ 24 CFR 982.402(b)(8)

¹² 24 CFR 982.601(b)(3)

Special Housing Types for further information on how to calculate the payment standard for special housing types.¹³

For shared housing, the threshold for requiring HUD approval of an RA EPS is based on the FMR of the voucher size approved for the family. The pro-rata calculation required for shared housing only applies to the payment standard and utility allowance. The pro-rata calculation should not be applied to the FMR. The payment standard for a family that resides in shared housing is the lower of: (1) the payment standard amount on the PHA payment standard act and util size; or (2) the pro-rata portion of the payment standard amount on the PHA payment standard schedule for the size of the shared housing unit.¹⁴ See Appendix A for an example of the shared housing calculation.

6. <u>Calculation of the RA EPS</u>

At the time the PHA approves a tenancy for initial occupancy of a dwelling unit by a family with tenant-based assistance under the program, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share must not exceed 40 percent of the family's adjusted monthly income.¹⁵ In its rent calculation for RA EPS, the PHA may establish the exception payment standard up to the gross rent for the unit, resulting in a family share of no more than the Total Tenant Payment (TTP), typically 30 percent of the family's adjusted monthly income, up to no higher than 40 percent of the family's adjusted monthly income. Please see Appendix A for multiple examples of the RA EPS calculation.

7. <u>RA EPS Denials¹⁶</u>

A PHA or HUD may deny a request for an RA EPS if the request was not made by or on behalf of a person with a disability or if there is no nexus between the disability-related need and the requested accommodation. In addition, HUD may deny a request for an RA EPS if it would impose an undue financial and administrative burden or it would fundamentally alter the program. The determination of undue financial and administrative burden must be made by the PHA on a case-by-case basis involving various factors, such as the cost of the requested accommodation, the financial resources of the PHA, the benefits that the accommodation would provide to the individual with the disability, and the availability of alternative accommodations that would effectively meet the individual's disability-related needs.

When a PHA denies an RA EPS due to the reasons stated above, the PHA should discuss with the family whether there is an alternative accommodation that would effectively address the family's disability-related needs. If an alternative accommodation would effectively meet the family's disability-related needs and is reasonable, the provider must grant it. An interactive process in which the PHA and the family discuss the family's disability-related

¹³ Special Housing Types Updated July 2020

¹⁴ 24 CFR 982.617(c)

¹⁵ 24 CFR 982.305(a)(5)

¹⁶ See e.g., DOJ/HUD Joint Statement on Reasonable Accommodations under the Fair Housing Act. PHAs are also subject to Section 504 of the Rehabilitation Act, title II of the ADA, and their implementing regulations.

need for the requested accommodation and possible alternative accommodations is helpful to all concerned, because it often results in an effective accommodation for the family that does not pose an undue financial and administrative burden for the PHA.

8. Subsequent Requests For a Previously Approved RA EPS

The RA EPS for the specific dollar amount approved by the PHA or HUD remains in effect as long as the family has a disability-related need for the features of the approved unit, and the rent remains reasonable. Requests for a higher RA EPS for the same unit due to rent increases or changes in the family's income should only be submitted to HUD when the rent is no longer affordable to the family, typically (though not exclusively) when the family share exceeds 40 percent of adjusted monthly income, and if the higher EPS is above 120 percent of the FMR/SAFMR in effect at the time the PHA determines that the higher EPS is necessary. PHAs are reminded that increases in rent must be in accordance with state and/or local laws, and the rent must be determined to be reasonable. Subsequent requests for a previously approved RA EPS for the same unit must include any documentation requirements under Section 4 of this notice which have changed since the previous request.

- **9.** <u>Information Contact</u>: Inquiries about this notice should be directed to the staff in your local HUD Field Office.
- 10. <u>Effective Date</u>. This notice is effective upon publication.
- **11.** <u>Paperwork Reduction Act</u>. The information collection requirements contained in this letter 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 following active information collections contained in this Notice have been approved under the PRA OMB Control Number 2577-0083.

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Benjamin Hobbs Principal Deputy Assistant Secretary Public and Indian Housing

Appendix A: Sample RA EPS Calculations to be Submitted to HUD

Example 1: RA EPS calculation using TTP as the Family Share		
FMR/SAFMR for unit size	\$	1,137
Family's monthly adjusted income	\$	2,500
Total Tenant Payment	\$	750
Contract rent	\$	1,400
Utility allowance	\$	210
Gross Rent	\$	1,610
RA EPS Request Amount	\$	1,610
RA EPS Request Percentage of FMR/SAFMR (RA EPS ÷ FMR)		142%
In this example, the $PA EPS$ exceeds 120 percent of the EMP/SAE	MD therefor	

Example 1: RA EPS calculation using TTP as the Family Share

In this example, the RA EPS exceeds 120 percent of the FMR/SAFMR, therefore HUD approval is required.

Example 2: RA EPS calculation using 40 percent of Adjusted Monthly Income as the Family Share

FMR/SAFMR for unit size	\$ 1,137
Family's monthly adjusted income	\$ 2500
Total Tenant Payment	\$ 750
40 percent of Adjusted Monthly Income	\$ 1,000
Difference between 30 percent and 40 percent	\$ 250
Contract rent	\$ 1,400
Utility allowance	\$ 210
Gross Rent	\$ 1,610
Gross Rent minus Difference between 30 and 40 percent	\$ 1,360
RA EPS Request Amount	\$ 1,360
RA EPS Request Percentage of FMR/SAFMR (RA EPS ÷ FMR)	120%

In this example, the RA EPS does not exceed 120 percent of the FMR/SAFMR, so HUD approval is not required.

Example 3: RA EPS calculation for Shared Housing using TTP as the Family Share

In the example, this is a one-person household with a one-bedroom voucher looking to rent a bedroom in a two-bedroom unit. The payment standard is \$1,063 for a one bedroom and \$1,676 for a two-bedroom.

FMR/SAFMR for 1-bedroom unit size*	\$ 900
Family's monthly adjusted income	\$ 500
Total Tenant Payment	\$ 150
Pro-rata ratio – 1 divided by 2 (number of bedrooms rented by	0.5
the assisted family divided by number of bedrooms in the unit)	
Family voucher size payment standard – 1 BR	\$ 1,063
Pro-rata share of the PHA payment standard (PS) for the shared	\$ 838
housing unit – 2 BR (1,676 PS x 0.5 (pro-rata share))	
Contract rent	\$ 1,100
Utility allowance (UA x pro rata share)	\$ 27
Gross Rent	\$ 1,127
RA EPS Request Amount	\$ 1,127
RA EPS Request Percentage of FMR/SAFMR (RA EPS ÷ FMR)	125%

* For shared housing, the FMR should be based on the family's voucher size