



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

Special Attention of:

Public Housing and Section 8 Program Administrators, Public Housing Hub Office Directors; Public Housing Resident Management Corporations; Resident Councils; Applicants and Participants of Public Housing, Housing Choice Voucher, Section 8 Moderate Rehabilitation, and Project-Based Certificate and Voucher Programs

Notice PIH 2018-18

Issued: October 26, 2018

Expires: This notice remains in effect until amended, superseded or rescinded.

Cross References:

Notice PIH 2017-12

24 CFR 5.233

24 CFR 5.236

24 CFR 908.101

SUBJECT: Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System

1. Purpose. This Notice adds a new section incorporating the Income Validation Tool (IVT) Report. This report will facilitate and enhance public housing agencies (PHAs) identification of tenant unreported or underreported income information during interim and regular reexaminations. Deployment of the IVT began July 17, 2018, and will conclude December 4, 2018. The IVT will provide projections of discrepant income for wages, unemployment compensation and SSA benefits pursuant to HUD's data sharing agreements with the Department of Health and Human Services (HHS) using the National Directory of New Hires (NDNH) database, and the Social Security Administration (SSA). This notice supersedes Notice PIH 2017-12.

2. Applicability. This Notice applies to the HUD-PIH rental assistance programs: Public Housing, Section 8 Moderate Rehabilitation, Project-Based Voucher, Project-Based Certificate, and Housing Choice Voucher (HCV) Programs.

3. Background. On December 29, 2009, HUD issued the final rule entitled *Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs: Implementation of the Enterprise Income Verification (EIV) System-Amendments (74 FR 68924)*, which requires PHAs to use the EIV system in its entirety to verify tenant employment and income information during mandatory reexaminations of family composition and income in accordance with 24 CFR 5.233; and reduce administrative and subsidy payment errors in accordance with 24 CFR 5.236 and other administrative guidance issued by HUD.

Using EIV as an upfront income verification (UIV) technique will be valuable in validating tenant-reported income during interim and annual reexaminations of family income; as well as streamlining the income verification process. This will result in less administrative burden in complying with third party verification requirements. Additionally, EIV will help to identify and cure inaccuracies in housing subsidy determinations, which will benefit PHAs, tenants, and taxpayers by ensuring that the level of benefits provided on behalf of families is proper and will prevent fraud and abuse within Public and Indian Housing (PIH) rental assistance programs.

4. Effective Date. This Notice is effective as of the issuance date.

5. HUD Regulation. 24 CFR 5.233. Since January 31, 2010, all PHAs have been required to use the EIV system in its entirety. This means that PHAs must use all features of the EIV system to:

- a. Verify tenant employment and income information during interim and mandatory reexaminations of family composition and income in accordance with 24 CFR 5.236, and other HUD administrative guidance; and
- b. Reduce administrative and subsidy payment errors in accordance with HUD administrative guidance.

6. What is the EIV System? The EIV System is a web-based application, which provides PHAs with employment, wage, unemployment compensation and social security benefit information for tenants who participate in the Public Housing and various Section 8 programs under the jurisdiction of the Office of Public and Indian Housing (PIH). This system is available to all PHAs nationwide. Information in EIV is derived from computer matching programs initiated by HUD with the Social Security Administration (SSA) and the U.S. Department of Health and Human Services (HHS), for all program participants with valid personal identifying information (name, date of birth (DOB), and social security number (SSN)) reported on the form HUD-50058.

What is the IVT Report? The IVT Report is a new report that replaces the current Income Discrepancy Report under the verification reports link in EIV. This report will facilitate and enhance PHA identification of tenant unreported or underreported income during interim and regular reexaminations. The IVT will be updated monthly and provide a comparison between tenant reported income and income information previously reported on the HUD-50058. It will include any discrepant income information specifically derived and reported from HUD's data sharing agreements with HHS-NDNH and the Social Security Administration (SSA). The IVT will also provide income and wage, unemployment compensation and SSA benefit information. HUD staff and PHA personnel will be able to search a comprehensive database comprised of several screens that will include income information for Heads of Household and family members where there may be discrepancies in family reported income and employer reported information. During reexamination, or other significant contacts with tenant families, PHAs will see any reported discrepancies, determine the degree of tenant underreporting or misreporting of income information and take action in accordance with their policies to resolve the identified discrepancies.

PHAs are required to review the Income and IVT reports during mandatory and interim reexaminations of family income and/or composition to reduce tenant under reporting of income and improper subsidy payments. EIV is classified as an UIV technique (or automated written third-party verification), which helps to identify income sources and/or amounts that the tenant may not have disclosed. This UIV technique, in many instances, will reduce the need to mail or fax third party verification request forms to an income source. EIV also provides various reports to assist PHAs with the following:

- a. Identifying tenants whose reported personal identifiers do not match the SSA database
- b. Identifying tenants who need to disclose an SSN;
- c. Identifying tenants whose reported personal identifiers do not match the SSA database;
- d. Identifying tenants who may not have reported complete and accurate income information;
- e. Identifying tenants who have started a new job;
- f. Identifying tenants who may be receiving duplicate rental assistance;
- g. Identifying tenants who are deceased and possibly continuing to receive rental assistance; and
- h. Identifying former tenants of PIH rental assistance programs who voluntarily or involuntarily left the program and have a reportable adverse status and/or owe money to a PHA or Section 8 landlord.

7. How to obtain access to the EIV System. All PHA staff (including PHA-hired management agents), who have a need to access the EIV system, are required to complete and submit the EIV Access Authorization Form & Rules of Behavior and User Agreement to their designated EIV Coordinator in the local HUD office.

The form is available online at:

https://www.hud.gov/sites/documents/DOC_10866.PDF

The user's access must be approved by the PHA Executive Director or designee for the local HUD office to process all EIV access requests. Individuals who will not directly access the EIV system but will have access to the EIV data in printed or electronic form also are required to complete the EIV Access Authorization Form & Rules of Behavior and User Agreement and maintain it on file (do not submit the form to the local HUD office).

8. Verification Hierarchy and Techniques. PHAs should begin with the highest level of verification techniques

All verifications, regardless of technique, require the PHA to review the IVT information at the time of reexamination and for multiple subsidy payments. PHAs are required to review the EIV Former Tenant and Existing Tenant Reports for any SSA matches involving another PHA or a Multi-family entity and follow-up on any issues identified. The PHA is required to maintain the report and documentation of any follow-up in the tenant file. If the tenant is a new admission to the PHA, and a match is identified at a Multi-family property, the PHA must report the program admission date to the Multi-family property and document the notification in the tenant file.

PHAs also need to obtain an Income Report for each household. The PHA is required to maintain the Income Report in the tenant file along with the form HUD-50058 and other supporting documentation to support income and rent determinations for all interim and mandatory reexaminations of family income and composition. If the Income Report does not contain any employment and income information for the family, the PHA should attempt the next lower level verification technique, as noted in the below chart.

Exhibit 1: Verification Hierarchy and Techniques

Level	Verification Technique	Ranking
6	Upfront Income Verification UIV , using HUD's Enterprise Income Verification (EIV) system and the Income Validation Tool (IVT) (not available for income verifications of new applicants)	Highest (Mandatory)
5	Upfront Income Verification (UIV) using non-HUD system	Highest (Optional)
4	Written third Party Verification	High (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information and is unable to provide acceptable documentation to support dispute.)
3	Written Third Party Verification Form	Medium-Low (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
2	Oral Third-Party Verification	Low (Mandatory if written third party verification is not available)
1	Tenant Declaration	Low (Use as a last resort when unable to obtain any type of third-party verification)

Note: This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants. Image 1 screenshot of Verification Hierarchy and Techniques illustrates six levels of verification starting with 6 as the highest category of Upfront Income Verification using HUD's EIV system, then 5 Upfront Income Verification (UIV) using non-HUD system, 4 Written Third-Party Verification, 3 Written Third Party Verification Form, 2 Oral Third-Party Verification and 1 Tenant Declaration.

Verification Technique Definitions

Third-Party Verification Techniques

Upfront Income Verification (UIV) (Level 6/5): The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

It should be noted that the EIV system is available to all PHAs as a UIV technique. PHAs are encouraged to continue using other non-HUD UIV tools, such as The Work Number (an automated verification system) and state government databases, to validate tenant-reported income.

Written Third Party Verification (Level 4): An original or authentic document generated by a third-party source dated either within the 60-day period preceding the reexamination or PHA request date. Such documentation may be in the possession of the tenant (or applicant) and is commonly referred to as tenant-provided documents. It is the Department's position that such tenant-provided documents are written third party verification since these documents originated from a third-party source. The PHA may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

Examples of acceptable tenant-provided documentation (generated by a third-party source) include, but are not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Current acceptable tenant-provided documents must be used for income and rent determinations.

The PHA is required to obtain at a minimum, two current and consecutive pay stubs for determining annual income from wages. For new income sources or when two pay stubs are not available, the PHA should project income based on the information from a traditional written third-party verification form or the best available information.

Note: Documents older than 60 days (from the PHA interview/determination or request date) are acceptable for confirming effective dates of income.

Written Third Party Verification Form (Level 3): This is also known as traditional third-party verification. A standardized form to collect information from a third-party source. The form is completed by the third party by hand (in writing or typeset). PHAs send the form directly to the third-party source by mail, fax, or email.

It is the Department's position that the administrative burden and risk associated with use of the traditional third-party verification form may be reduced by PHAs relying on acceptable documents that are generated by a third party, but in the possession of and provided by the tenant (or applicant). Many documents in the possession of the tenant are derived from third party sources (i.e. employers, federal, state and/or local agencies, banks, etc.).

The Department recognizes that third party verification request forms sent to third party sources often are not returned. In other instances, the person who completes the verification form may provide incomplete information; or some tenants may collude with the third-party source to provide false information; or the tenant intercepts the form and provides false information.

The Department requires PHAs to rely on documents that originate from a third-party source's computerized system and/or database, as this process reduces the likelihood of incorrect or falsified information being provided on the third-party verification request form. The use of acceptable tenant-provided documents, which originate from a third-party source, will improve the integrity of information used to determine a family's income and rent and ultimately reduce improper subsidy payments. This verification process also will streamline the income verification process.

Oral Third-Party Verification (Level 2): Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit. PHA staff should document in the tenant file, the date and time of the telephone call (or visit to the third party), the name of the person contacted and telephone number, along with the confirmed information.

This verification method is commonly used when the independent source does not respond to the PHA's faxed, mailed, or e-mailed request for information in a reasonable time frame, e.g., ten (10) business days.

Non-Third-Party Verification Technique

Tenant Declaration (Level 1): The tenant submits an affidavit or notarized statement of reported income and/or expenses to the PHA. This verification method should be used as a last resort when the PHA has not been successful in obtaining information via all other verification techniques. When the PHA relies on tenant declaration, the PHA must document in the tenant file why third-party verification was not available.

Exceptions to Third Party Verification Requirements

HUD is aware that in some situations, third party verification is not available for a variety of reasons. Oftentimes, the PHA may have made numerous attempts to obtain the required verifications with no success, or it may not be cost effective to obtain third party verification of income, assets, or expenses, when the impact on total tenant payment is minimal. In these cases, the PHA is **required to document in the family file the reason(s) why third-party verification was not available.**

The exception to third party verification can be found at 24 CFR 960.259(c)(1) and §982.516(a)(2), which state in part, "...The PHA must obtain and document in the family file third party verification of the following factors or **must document in the file why third-party verification was not available.**"

9. Third-party verification requirements. In accordance with 24 CFR 960.259(c)(1) and 24 CFR 982.516(a)(2) for the Public Housing and the HCV programs, respectively, the PHA 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: (i) reported family annual income; (ii) the value of assets; (iii) expenses related to deductions from annual income; and (iv) other factors that affect the determination of adjusted income.

10. How to comply with and reduce administrative burden of third-party verification requirements of family annual income. PHAs can comply with and reduce administrative burden of third-party verification requirements for employment, wage, unemployment compensation and Social Security benefits, and any other information that is verifiable using EIV by:

- a. Reviewing the EIV Income and IVT Reports to confirm/validate tenant-reported income
- b. Printing and maintaining the EIV Income and IVT Reports in the tenant file;
- c. Obtaining current acceptable tenant-provided documentation to supplement the EIV information; and
- d. Using current tenant-provided documentation and/or third-party verification to calculate annual income.

Note: Social Security benefit information in EIV is updated every three months. If the tenant agrees with the EIV-reported benefit information, PHAs do not need to obtain or request a benefit verification letter from the tenant. See PIH Notice 2010-03 for guidance on verifying Social Security benefit income through the EIV system.

The PHA also may reduce the administrative burden of obtaining third party verification by relying on acceptable documents that are generated by a third- party but provided by the tenant. Many documents in the possession of the tenant are derived from third party sources (e.g., employers, federal, state and/or local agencies, banks, etc.).

11. When the PHA is required to request written third-party verification. The PHA must request written third-party verification under the following circumstances:

- a. When the tenant disputes the EIV information and is unable to provide acceptable documentation to support his/her dispute (24 CFR 5.236(b))
- b. When the PHA requires additional information that is not available in EIV and/or the tenant is unable to provide the PHA with current acceptable tenant-provided documentation. Examples of additional information include, but are not limited to:
 - i. Effective dates of income (i.e. employment, unemployment compensation, or social security benefits)
 - ii. For new employment: pay rate, number of hours worked per week, pay frequency, etc.
 - iii. Confirmation of changes in circumstances (i.e. reduced hours, reduced rate of pay, temporary leave of absence, etc.)

Note: 24 CFR 5.236(a), prohibits PHAs from taking adverse action based solely on EIV information.

12. Type of file documentation required to demonstrate PHA compliance with mandated use of EIV as a third-party source to verify tenant employment and income information (24 CFR 5.233(a)(2)(i)).

- a. For each new admission (form HUD-50058 action type 1), the PHA is required to:
 - i. Review the EIV Income and IVT Reports to confirm/validate family-reported income within 120 days of the Inventory Management System Public and Indian Housing Information Center (IMS/PIC) submission date; and
 - ii. Print and maintain copies of the EIV Income and IVT Reports in the tenant file; and
 - iii. Resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.
- b. For each historical adjustment (form HUD-50058 action type 14), the PHA is required to do the following:
 - i. Review the EIV Income and IVT Reports to confirm/validate family-reported income within 120 days of the IMS/PIC submission date; and
 - i. Print and maintain copies of the EIV Income and IVT Reports in the tenant file; and
 - ii. Resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.
- c. For each interim reexamination (form HUD-50058 action type 3) of family income and composition, the PHA is required to have the following documentation in the tenant file:
 - i. When there is no household identified income, discrepancy reported on the HUD-50058, the EIV Income Report or IVT Report, PHAs have the discretion to print the EIV Income and IVT Reports to document the tenant file.
 - ii. In cases when there **is** an identified income discrepancy among the HUD-50058, the EIV Income Report or IVT Report, PHAs must follow up with the family and resolve the differences between the reported information as noted in Section 8.
- d. **For each reexamination of family income and composition, the PHA is required to have the following documents in the tenant file:**

No Dispute of EIV Information: There are no disputes among the EIV Income and IVT Reports. The tenant file includes current acceptable tenant provided documentation and if necessary (as determined by the PHA), traditional third-party verification and a current copy of the form HUD-50058 or to be maintained in the tenant file.

Disputed EIV Information: There is a discrepancy in at least one of the EIV Income or IVT Reports or the form HUD-50058 is not current or is inconsistent and/or traditional third-party verification form(s) for the disputed information is not clear. Copies of the

EIV Income and IVT reports, income verification and a corrected for HUD-50058 will be maintained in the tenant file. See example 2 below.

In cases when the Tenant-reported income is not verifiable through the EIV system:

Current tenant provided documents and if necessary, (as determined by the PHA), traditional third-party verification form (s) and copies of the EIV Income and IVT reports and a corrected form HUD-50058 will be maintained in the tenant file. See example 3 below.

Example 1: No Disputed EIV Information & Tenant Provided Documents

The PHA is conducting a reexam with tenant, Mary Jones. Ms. Jones reports that she is employed at the ABC Box Company. You pull up the EIV Income and IVT Reports for the Jones family, which shows quarterly wages from the ABC Box Company for the full year of 2015, and the first two quarters of 2016. Last year's (2016) reexam reflects wages from the same employer. There is no other income information on the EIV Income and IVT Reports.

The PHA may streamline the income verification process by requesting Ms. Jones provide current pay stubs dated within the last 60 days of the interview or PHA request date. The PHA must obtain a minimum of two current and consecutive pay stubs from Ms. Jones. Since there is no disparity between tenant-reported Income and the IVT Reports. The PHA may obtain original and current tenant-provided pay stubs to calculate annual income as noted below.

Example 2: Disputed EIV Information & No Tenant-Provided Documents

The PHA is conducting a reexam with tenant, Bob Miller. Mr. Miller reports that his only source of income is monetary support from his sister, Betty Miller. The PHA obtains the EIV Income and IVT Reports for the Miller family, which show an apparent income discrepancy and quarterly wages from the Home Depot for the full year of 2015, and the first two quarters of 2016. There is no other income information on the EIV Income and IVT Reports. Last year's (2016) reexam on form HUD-50058 reflects no wage information and the only source of income is other non-wage income (monetary support from a family member).

The PHA informs Mr. Miller that the EIV system shows wages from the Home Depot and requests he provide current pay stubs. Mr. Miller states that he does not work there and has no pay stubs.

Because Mr. Miller disputes the EIV-reported income and has not provided documents to support his dispute, the PHA **must** request written third-party verification from Home Depot to verify Mr. Miller's employment status. The PHA mails a third-party verification request form to the address listed for Home Depot.

A few days later the PHA receives the third-party verification request form back from Home Depot, which indicates that Mr. Miller has been employed there since January 5, 2013, and a payroll summary report, showing Mr. Miller's bi-weekly gross and net pay since January

2013. Since the disputed EIV information has been confirmed to be correct by the independent third-party source (Home Depot), the PHA will use the income information from the payroll summary report to calculate annual income. The PHA also would calculate the retroactive rent using the information provided by Home Depot since Mr. Miller failed to disclose his employment at the 2013 through 2016 annual reexaminations as well as the current year. The PHA would inform Mr. Miller of this retroactive rent and take action pursuant to PHA-established policies.

Example 3: Tenant Unreported Income, Income not Verifiable through EIV & Tenant-Provided Documents

The PHA is conducting a reexam with tenant, Sharon Duvet. Ms. Duvet reports that her only source of income is child support and provides you with verification that includes the last four (4) child support payments. The PHA obtains the EIV Income and IVT Reports for the Duvet family, which shows a discrepancy and a hire date at the District Police Department effective January 9, 2017; quarterly wages from the District Police Department for the full years of 2014, 2015 and 2016 and the first two quarters of 2017. There is no other income information on the EIV Income or IVT Reports. Last year's (2016) reexam on form HUD-50058 reflects income only from child support. The PHA informs Ms. Duvet that the EIV system is showing wages from the District Police Department and requests that she provide current verification of her pay.

Ms. Duvet admits that she has been working at the District Police Department and indicates that she can provide you with current pay stubs. You inform Ms. Duvet that you now will calculate her retroactive rent for the previous years in which she did not disclose her employment. You go over the EIV-reported wages with Ms. Duvet and she indicates that she does not dispute the information.

Since Ms. Duvet does not dispute the EIV-reported information, the PHA may use the tenant-provided documents to calculate income and rent for the 2017 reexam and use the EIV-reported earnings for years 2014 and subsequent years through 2017 to calculate the retroactive rent Ms. Duvet will owe. The PHA should require Ms. Duvet to provide her last pay stub from 2016, or her 2016 W-2, to calculate the retroactive rent for 2017. The PHA will use the tenant-provided child support pay stubs (child support income is not available in EIV) to calculate annual income from this source.

13. What if the tenant does not provide the PHA with requested information? If the tenant does not provide the requested information, the PHA may mail or fax a third-party verification request form to the third-party source. The PHA is *required* to request third-party verification when the tenant disputes EIV information and the tenant is unable to provide acceptable documentation to support disputed information. In addition, the PHA should remind the tenant that the tenant is required to supply any information requested by the PHA for use in a regularly scheduled or interim reexamination of family income and composition.

The PHA may *determine* that the tenant is not in compliance with program requirements and terminate tenancy or assistance, or both, if the tenant fails to provide the requested information in a timely manner, as prescribed by the PHA.

14. How to use EIV to reduce administrative and subsidy payment errors? EIV can help identify other potential issues which may impact a family's level of assistance. EIV contains stand-alone reports, which a PHA may generate at any time (i.e. Deceased Tenants Report, New Hires Report, Multiple Subsidy Report, Identity Verification Report, IVT Report, Debts Owed to PHAs & Termination Report, and Immigration Report). However, it should be noted that the information from these stand-alone reports are contained in the Income and IVT Reports for each household. PHAs are required to address any and all potential issues at the time of the regular or interim reexam, as conveyed in the Income and IVT Reports.

PHAs may use the stand-alone reports to monitor staff's progress in reducing the following administrative and subsidy payment errors by using the listed reports:

- a. Incorrect/invalid SSNs/name/date of birth – Identity Verification Report
- b. Follow-up with families who need to disclose an SSN – Immigration Report
- c. Duplicate rental assistance – Multiple Subsidy Report
- d. Unreported increase in income – IVT Report
- e. Improper payments on behalf of deceased tenants – Deceased Tenants Report
- f. Unreported new employment (PHAs with interim increase policy) – New Hires Report
- g. Adverse Termination/Outstanding Debt to PHA – Debts Owed to PHAs & Termination Search

To ensure PHAs are aware of potential subsidy payment errors, PHAs are **required** to monitor the following EIV reports monthly:

- a. Deceased Tenants Report
- b. Identity Verification Report
- c. Immigration Report
- d. IVT Report based on PHA reexamination schedule (Report will include information from the New Hires Report (NDNH))
- e. Multiple Subsidy Report

15. How to use the EIV Income and IVT Reports as a third-party source to verify tenant employment and income information? The EIV Income and IVT Reports provide a variety of information about Heads of Household, household member(s) and employment data. The report contains the following information for each household member:

- a. Personal identifiers: name, date of birth, and SSN
- b. Identity verification status (pending, verified, deceased, or failed)
- c. Employment information
 1. New Hire Information (W-4)
 - i. Date Hired
 - ii. Employer Name

2. Employer name, address, and employer identification number of current and past employers
3. Quarterly earnings
- d. Quarterly unemployment compensation. Social Security benefit information
 1. Social Security (SS) benefits
 - i. Payment status code
 - ii. Date of current entitlement
 - iii. Current net monthly benefit amount (if payable)
 - iv. Gross monthly benefit history (last 8 changes in benefit amount)
 - v. Lump sum payment amount and date
 - vi. Payee name and address
 2. Dual Entitlement (Social Security benefits under another person's SSN)
 - i. Claim Number (the other person's SSN)
 - ii. Payment status code
 - iii. Date of current entitlement
 - iv. Current net monthly benefit amount (if payable)
 - v. Gross monthly benefit history (last 8 changes in benefit amount)
 - vi. Payee name and address
 3. Supplemental Security Income (SSI)
 - i. Payment status code
 - ii. Alien indicator
 - iii. Current net monthly benefit amount
 - iv. Current monthly state supplement benefit amount (if available)
 - v. Gross monthly benefit history (last 8 changes in benefit amount)
 - vi. Payee name and address
 4. Medicare data
 - i. Payee name and address
 - ii. Monthly hospital insurance premium amount, buy-in status, and buy-in start and end Dates
 - iii. Monthly supplemental medical insurance premium amount, buy-in status, and buy-in start and end dates
- e. Disability status and onset date
- f. Identity verification status
- g. Indicator of possible multiple rental subsidy
- h. Indicator of debt and/or termination information from another PHA (effective September 2010)

All EIV Income and IVT Reports contain the date the report was generated and by whom; and the date EIV received each type of information.

To minimize tenant underreporting of income, PHAs are required to obtain an EIV Income and IVT Report for each family any time the PHA conducts a reexamination of family income and composition.

In accordance with 24 CFR 5.236(b)(3), PHAs are required to compare the information on the EIV reports with the family-reported information on form HUD-50058. **If the EIV Income or IVT Report reveal an income source that was not reported by the tenant or a substantial difference in the reported income information, the PHA is required to take the following actions:**

1. Discuss the income discrepancy with the tenant; and
2. Request the tenant to provide any documentation to confirm or dispute the unreported or underreported income and/ or income sources; and
3. In the event the tenant is unable to provide acceptable documentation to resolve the income discrepancy, the PHA is required to request from the third-party source, any information necessary to resolve the income discrepancy; and
4. If applicable, determine the tenant's underpayment of rent due to unreported or underreported income, retroactively*; and
5. Take any other appropriate action as directed by HUD or the PHA's administrative policies.

*The PHA is required to determine the retroactive rent as far back as the existence of complete file documentation (form HUD-50058 and supporting documentation) to support such retroactive rent determinations.

Note: A substantial difference is defined as an amount equal to or greater than \$2,400 annually.

The tenant must be provided an opportunity to contest the PHA's determination of tenant rent underpayment. HUD regulations require PHAs to promptly notify tenants in writing of any adverse findings made based on information verified through the aforementioned income discrepancy resolution process. The tenant may contest the findings in accordance with the PHA's established grievance procedures, as required by HUD. The PHA may not terminate, deny, suspend, or reduce the family's assistance until the expiration of any notice or grievance period.

When there is insubstantial or no disparity between tenant-reported and EIV-reported income information, the PHA is required to obtain from the tenant any necessary documentation to complete the income determination process. As noted previously, the PHA may reject any tenant-provided documentation, if the PHA deems the documentation unacceptable. The PHA may reject documentation provided by the tenant for only the following HUD-approved reasons:

1. The document is not an original; or
2. The original document has been altered, mutilated, or is not legible; or
3. The document appears to be a forged document (i.e. does not appear to be authentic).

The PHA should explain to the tenant, the reason(s) the submitted documents are not acceptable and request the tenant provide additional documentation. If at any time, the tenant is unable to provide acceptable documentation that the PHA deems necessary to complete the income determination process, the PHA is required to submit a traditional third-party verification form to the third-party source for completion and submission to the PHA.

If the third-party source does not respond to the PHA's request for information, the PHA is required to document the tenant file of its attempt to obtain third-party verification and that no response to the third-party verification request was received.

The PHA should then pursue lower level verifications in accordance with the verification hierarchy listed in section 8 of this notice.

- 16. Tenant Repayment Agreement.** Tenants are required to reimburse the PHA if they were charged less rent than required by HUD's rent formula due to the tenant's underreporting or failure to report income. The tenant is required to reimburse the PHA for the difference between the tenant rent that should have been paid and the tenant rent that was charged. This rent underpayment is commonly referred to as retroactive rent. If the tenant refuses to enter into a repayment agreement or fails to make payments on an existing or new repayment agreement, the PHA **must** terminate the family's tenancy or assistance, or both. HUD does **not** authorize any PHA-sponsored amnesty or debt forgiveness programs.

All repayment agreements must be in writing, dated, signed by both the tenant and the PHA, include the total retroactive rent amount owed, amount of lump sum payment made at time of execution, if applicable, and the monthly repayment amount. At a minimum, repayment agreements must contain the following provisions:

- a. Reference to the paragraphs in the Public Housing lease or Section 8 information packet whereby the tenant is in non-compliance and may be subject to termination of tenancy or assistance, or both.
- b. The monthly retroactive rent repayment amount is in addition to the family's regular rent contribution and is payable to the PHA.
- c. The terms of the agreement may be renegotiated if there is a decrease or increase in the family's income.
- d. Late and missed payments constitute default of the repayment agreement and may result in termination of tenancy and/or assistance.

PHAs are required to determine retroactive rent amount as far back as the PHA has documentation of family unreported income. For example, if the PHA determines that the family has not reported income for a period of five years and only has documentation for the last three years, the PHA is only able to determine retroactive rent for the three years for which documentation is available.

The monthly retroactive rent payment plus the amount of rent the tenant pays at the time the repayment agreement is executed should be affordable and not exceed 40 percent of the family's monthly adjusted income. However, PHAs have the discretion to establish thresholds and policies for repayment agreements in addition to HUD required procedures.

Example:

- Family's monthly adjusted income is \$1,230.
- Family's monthly rent payment is \$369 (30% of the family's monthly adjusted income).
- 40% of the family's monthly adjusted income is \$492.
- The monthly payment for the repayment agreement should not exceed \$123 per month (\$369 monthly rent + \$123 repayment = \$492, 40% of the family's monthly adjusted income.)

Repayment Time Period. The period in which the retroactive rent balance will be repaid is based on the monthly payments and original retroactive balance.

Example:

- The tenant agrees to repay \$1,000, by making a monthly payment of \$25 for 40 months.

Repayment Options. Tenants have the option to repay the retroactive rent balance as follows:

1. In a lump sum payment; or
2. Monthly installment; or
3. A combination of 1 and 2, above.

Example:

- A tenant may owe \$1,000, make a lump sum payment of \$300 and enter into a repayment agreement for the remaining balance of \$700.

17. How long should the PHA maintain EIV printouts in a tenant file? The PHA's record retention policy will determine the length of time the PHA should maintain EIV printouts in a tenant file. PHAs are authorized to maintain the EIV Income and other reports (see Section 8) in the tenant file for the duration of tenancy and no longer than three years from the end of participation (EOP) date. In accordance with revised regulation, 24 CFR 908.101, PHAs are required to maintain at a minimum, the last three years of forms HUD-50058 and supporting documentation for all regular and interim reexaminations of family income. All records are to be maintained for a period of at least three years or longer as required from the effective date of the action.

18. Disclosure of an Individual's EIV Information. The Federal Privacy Act (5 USC §552a(b), as amended) prohibits the disclosure of an individual's information to another person without the written consent of such individual. As such, the EIV data of an adult household member may not be shared (or a copy provided or displayed) with another adult household member, unless the individual has provided written consent to disclose such information.

However, the PHA is not prohibited from discussing with the head of household (HOH) and showing the HOH how the household's income and rent were determined based on the total family income reported and verified.

EIV information and any other information obtained by the PHA for the purpose of determining eligibility and level of assistance for a PIH rental assistance program may not be disclosed to third parties for any reason (even for similar verifications under other programs, such as eligibility for low income housing tax credit units, other federal or state assistance programs), unless the tenant has authorized such disclosure in writing.

19. What to do if the EIV Information is incorrect? Sometimes the source or originator of EIV information may make an error when submitting or reporting information about tenants. HUD cannot correct data in the EIV system. Only the originator of the data can correct the information. When the originator corrects the data, HUD will obtain the updated information with its next computer matching process. Below are the procedures tenants and PHAs should follow regarding incorrect EIV information.

Employment and wage information reported in EIV originates from the employer. The employer reports this information to the local State Workforce Agency (SWA), who in turn, reports the information to HHS' National Directory of New Hires (NDNH) database.

If the tenant disputes this information, the tenant should contact the employer directly, in writing to dispute the employment and/or wage information, and request that the employer correct erroneous information.

The tenant should provide the PHA with this written correspondence so that it may be maintained in the tenant file. If employer resolution is not possible, the tenant should contact the local SWA for assistance.

Unemployment benefit information reported in EIV originates from the local SWA. If the tenant disputes this information, the tenant should contact the SWA directly, in writing to dispute the unemployment benefit information, and request that the SWA correct erroneous information. The tenant should provide the PHA with this written correspondence so that it may be maintained in the tenant file.

SS and SSI benefit information reported in EIV originates from the SSA. If the tenant disputes this information, the tenant should contact the SSA at (800) 772-1213 or visit the local SSA office. SSA office information is available in the government pages of the local telephone directory or online at <http://www.socialsecurity.gov>.

Note: The tenant also may provide the PHA with third party documents which are in the tenant's possession to support their dispute of EIV information. The PHA, with the tenant's consent, is required to submit a third-party verification form to third party sources for completion and submission to the PHA, when the tenant disputes EIV information and is unable to provide documentation to validate the disputed information. The tenant's failure to sign the consent form is grounds for termination of tenancy and/or assistance in accordance with 24 CFR 5.232.

Debts owed to PHAs and termination information reported in EIV originates from the PHA. If a current or former tenant disputes this information, that tenant should contact the PHA (who reported the information) directly in writing to dispute this information and provide any documentation that supports the dispute. If the PHA determines that the disputed information is incorrect, the PHA will update or delete the record from EIV. Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date in the PIH program.

Identity Theft. Seemingly incorrect information in EIV may be a sign of identity theft. Sometimes someone else may use an individual's SSN, either intentionally or by accident. SSA does not require an individual to report a lost or stolen SSN card and reporting a lost or stolen SSN card to SSA will not prevent the misuse of an individual's SSN. However, someone using an individual's SSN can get other personal information about that individual and apply for credit in that individual's name. Accordingly, if the tenant suspects someone is using his/her SSN, the tenant should check Social Security records to ensure the records are correct (call SSA at (800) 772-1213); file an identity theft complaint with the local police department and/or Federal Trade Commission (call FTC at (877) 438-4338, or visit the FTC website at: <https://www.identitytheft.gov>) and monitor the tenant's credit reports with the three national credit reporting agencies (Equifax, TransUnion, and Experian). The tenant also should provide the PHA written documentation of the filed identity theft complaint. (Refer to paragraph above on **Employment and wage information** regarding disputed EIV information related to identity theft).

Tenants may request their credit report and place a fraud alert on their credit report with the three national credit reporting agencies at www.annualcreditreport.com ((877) 3228228), or by contacting the credit reporting agency directly.

The contact information for each national credit reporting agency is:

Equifax Credit Information Services, Inc.
P.O. Box 740241
Atlanta, GA 30374
Website: www.equifax.com
Telephone: (866) 349-5191

Experian
P.O. Box 2104
Allen, TX 75013
Website: www.experian.com
Telephone (888) 397-3742

TransUnion
P.O. Box 6790
Fullerton, CA 92834
Website: www.transunion.com
Telephone: (800) 888-4213

20. Security of EIV Data. The data in EIV contains personal information on individual tenants which is protected under the Federal Privacy Act. The information in EIV may only be used for limited official purposes, as noted below.

a. Official Purposes Include:

1. PHAs, in connection with the administration of PIH programs, for verifying employment and income at the time of interim and annual reexaminations.
2. HUD staff for monitoring and oversight of PHA compliance with HUD program requirements.
3. Independent Auditors hired by the PHA or HUD to perform a financial audit for use in determining the PHA's compliance with HUD program requirements, including verifying income and determining the accuracy of the rent and subsidy calculations.

Restrictions on disclosure requirements for Independent Auditors:

- May only access EIV income information within family files and only within the offices of the PHA or PHA-hired management agent;
- May not transmit or transport EIV income information in any form;
- May not enter EIV income information on any portable media;
- Must sign non-disclosure oaths that the EIV income information will be used only for the audit; and
- May not duplicate EIV income information or re-disclose EIV income information to any user not authorized by 5 U.S.C. 552a(b) of the Privacy Act to have access to the EIV income data.

b. Official Purposes Do NOT Include:

Sharing the information with governmental or private entities not involved in their examination process specifically used for PIH rental assistance programs.

Disclosing the EIV information to other private or public entities for purposes other than determining eligibility and level of assistance for PIH rental assistance programs is prohibited since these entities are not a party to the computer matching agreements with the HHS and SSA. The fact that these entities may find EIV beneficial for similar eligibility and determination purposes for other low-income housing programs or public benefits, does not permit these entities to use or view information in the EIV system that is covered by the computer matching agreements.

The computer matching agreements are governed by the Privacy Act and the Social Security Act. Specifically, 5 U.S.C. 552a(b) limits disclosure of the data matched between HUD and HHS' National Directory of New Hires (NDNH) database to PHAs, Independent Auditors, the Inspector General (IG) and Attorney General, private owners, management agents, and contract administrators of Multifamily Housing programs.

c. Penalties for Willful Disclosure or Inspection of EIV Data.

1. **Unauthorized Disclosure** – felony conviction and fine up to \$5,000 or imprisonment up to five (5) years, as well as civil damages.
2. **Unauthorized Inspection** – misdemeanor penalty of up to \$1,000 and/or one (1) year imprisonment, as well as civil damages.

21. Penalties for Noncompliance with Mandated EIV System Use. PHAs may be subject to sanctions and/or the assessment of disallowed costs associated with any resulting incorrect subsidy or tenant rent calculation or both. It should be noted that HUD may impose a sanction on any PHA who does not have access to the EIV system or any PHA that has access to the system but has not used the system within the last six months. To avoid sanctions or disallowed costs, PHAs should follow all formal and informal guidance provided to PHAs via webcast trainings, PIH Rental Housing Integrity Improvement Project (RHIP) periodic electronic mailings, and any other HUD Headquarters-generated guidance.

HUD will monitor each PHA's effective and mandated use of the EIV system with analysis of data in the following EIV reports:

- Deceased Tenants Report
- IVT Report
- Multiple Subsidy Report
- Identity Verification Report
- Immigration Report, and
- Failed Effective Date Check Report (Overdue Reexams) in the Identity Verification Report

Note: PHAs may look at the Reexamination Report in the HUD-50058 in the IMS/PIC sub module for complete details on reexamination status.

This monitoring also will evaluate access to and frequency of use of the EIV and DHS Systematic Alien Verification of Entitlements (SAVE) systems. If at any time these reports identify apparent inefficient or ineffective use of the EIV System, HUD will provide information to the PHAs on the issues identified and request the PHA(s) to provide evidence of resolution. The notification to the PHAs and the data submission to HUD will be in a format determined by HUD.

22. EIV System Training Information. As a condition of initial and continued access to the EIV System, HUD and PHA staff are required to complete Annual Security Awareness training and EIV system training (initial system training) and update (interim system changes) training when offered by HUD Headquarters (HHQ). This training requirement also applies to those individuals who will not access EIV but will view or handle printed and/or electronic EIV data. Individuals who will view and/or handle printed EIV information are required to complete only annual Security Awareness training (EIV system training is optional for these individuals). EIV training provided by third parties (other than HUD Headquarters) does not fulfill the mandatory EIV training requirement.

EIV system users who need to complete EIV training may view EIV training webcasts at: https://www.hud.gov/program_offices/public_indian_housing/programs/ph/rhiip/piheivwebcasts

Note: Employees must complete the training **prior** to accessing the EIV system and/or printed EIV reports.

23. Updating of PHA Policies and Procedures. PHAs are required to immediately implement all new and modified regulatory and/or PIH notice requirements of the Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs: Implementation of the Enterprise Income Verification System-Amendments. The Department recognizes that many PHAs have already begun to modify existing policies and procedures to reflect use of EIV during all mandatory and interim reexams. PHAs should immediately update their policies and procedures to reflect new regulatory provisions.

24. Rental Housing Integrity Improvement Project (RHIIP)/EIV Resources. For your convenience, PIH EIV information is available on the web at the below listed URLs. Many of your questions can be answered by viewing information that is posted on the HUD web pages. Bookmark these pages:

Training and Technical Assistance (including webcast training materials)

https://www.hud.gov/program_offices/public_indian_housing/programs/ph/rhiip/piheivwebcasts

EIV System, Access Authorization Form, and User Manuals:

https://www.hud.gov/program_offices/public_indian_housing/programs/ph/rhiip/uivsystem

Webcasts Archives:

<https://www.hud.gov/press/multimedia>

Follow the videos/archived webcasts link.

Report Fraud, Waste & Abuse to HUD OIG:

<https://www.hudoig.gov/report-fraud>

PIH Notices:

https://www.hud.gov/program_offices/public_indian_housing/publications/notices

25. Paperwork Reduction: The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB under the Paperwork Reduction Act of 1995 (44 USC §3501 et seq.) and assigned OMB control number(s) 2577-0083 and 2577-0266. In accordance with the Paperwork Reduction Act, 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.

26. For inquiries about this Notice contact: The designated EIV Coordinator in the local HUD field office or Rochelle Katz of HUD Headquarters' Office of Public and Indian Housing at (202) 475-4967, or via email at: rochelle.katz@hud.gov

/s/

Dominique Blom,
General Deputy Assistant Secretary
for Public and Indian Housing