



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
Emergency Housing Voucher Program

Notice PIH 2023-14 (HA)

Issued: June 29, 2023

Cross Reference: Notice PIH 2021-15;
Notice PIH 2022-22

Amends: Section 7b.4 of Notice PIH
2021-15

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amended, superseded, or rescinded.

**SUBJECT: Emergency Housing Voucher (EHV): Guidance on Termination of Vouchers
Upon Turnover After September 30, 2023 and EHV Shortfalls Due
to Per-Unit Cost Increases or Overleasing**

1. Purpose

This notice details the statutory restriction prohibiting the reissuance of turnover EHV's after September 30, 2023, as discussed in Section 13 of the Notice PIH 2021-15. This notice also provides new guidance for EHV shortfalls and amends section 7.b.4 of Notice PIH 2021-15 with respect to the requirements under which a PHA may receive an adjustment to the PHA's EHV renewal funding during a calendar year.

2. Background

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (P.L. 117-2, hereafter referred to in this notice as "the ARP") into law, which provided over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses.

Section 3202 of the ARP appropriates \$5 billion for new incremental EHV's, the renewal of those EHV's, and fees for the cost of administering the EHV's and other eligible expenses defined by notice to prevent, prepare, and respond to coronavirus to facilitate the leasing of the emergency vouchers, such as security deposit assistance and other costs related to retention and support of participating owners.

Section 3202(b)(6) provides that after September 30, 2023, a public housing agency (PHA) may not reissue any EHV vouchers made available when assistance for the family assisted ends.

HUD issued Notice PIH 2021-15 on May 5, 2021, to provide operating requirements to PHAs administering the EHV program. Section 13 of Notice PIH 2021-15 provides initial guidance for the termination of vouchers upon turnover after September 30, 2023. On August 11, 2022, HUD

issued Notice PIH 2022-22 which reminded PHAs of initial termination of vouchers upon turnover after September 30, 2023 guidance.

3. Termination of Vouchers upon Turnover after September 30, 2023

This section provides additional information regarding the differences between re-issued vouchers (i.e, vouchers issued upon turnover) and new vouchers with respect to the termination of vouchers upon turnover applicability, and how PHAs can use the EHV dashboard to determine when EHV's may no longer be issued in accordance with the the termination of vouchers upon turnover requirements.

a. Re-Issued Turnover Vouchers – Prohibited after 9/30/23

When an EHV family's participation in the EHV program ends, (i.e., the family is no longer under a HAP contract or in the process of moving to another unit, including under the portability procedures), any subsequent issuance of that voucher to another family is a reissuance. HUD is identifying whether a voucher issuance is a turnover voucher or a voucher that has never been leased by counting the number of cumulative EHV lease-ups. (Note that cumulative leased vouchers is equal to all households leased since the start of the EHV program—this includes households that have left the program.) Once a PHA's total cumulative leased EHV count reaches their total EHV allocation of the Consolidated Annual Contributions Contract (hereafter EHV--CACC), any EHV issuance is considered a reissuance. PHAs that have reached their cumulative EHV lease-up count may not reissue any EHV voucher after September 30, 2023. All EHV's under lease on or after October 1, 2023, may not under any circumstances be reissued to another family when the participant leaves the program for any reason.

b. Issuance of Vouchers that have never been leased

If a PHA has not reached its EHV-CACC in cumulative leased vouchers, the PHA may continue to issue vouchers to eligible households after September 30, 2023, until the cumulative leased vouchers equal the number of EHV's currently under the PHA's EHV-CACC, or until directed by HUD to stop issuing EHV's. (Note that cumulative leased vouchers is equal to all households leased since the start of the EHV program--this includes households that have left the program.) If a PHA is reallocated additional EHV's, these EHV's are considered never leased and may be issued.

PHAs must adjust their EHV voucher issuances according to the likelihood that the voucher holder will successfully secure an EHV lease. PHAs may not issue vouchers in excess of their remaining EHV-CACC after September 30, 2023, after considering their most recent EHV success rate, i.e., a success rate is determined by the PHA and is the likelihood that the voucher-holder will successfully secure an EHV lease. PHAs can consider evaluating their success rate similar to the EHV Dashboard that provides a 180-day lease rate. For example, the PHA calculates that 50% of recent EHV voucher holders successfully establish an EHV lease in 180 days; therefore, their EHV 180-day success rate is 50 percent.

EXAMPLES

- (1) As of October 1, 2023, a PHA has cumulatively leased 60 of its 100 EHV allocation under their EHV-CACC. The PHA may continue to issue and lease the remaining 40 EHV's that have never been leased.

- (2) As of October 1, 2023, a PHA has cumulatively leased 80 of its 100 EHV allocation and has a success rate of 50%. Therefore, the PHA may have no more than 40 families with a voucher searching for a unit, which – considering a 180-day success rate – would equate to 20 new leases, and thus a fully leased program. If these voucher holders do not equate to 20 new leases, the PHA may continue to issue vouchers, (considering a 180-day success rate) until the EHV-CACC limit is reached.

c. EHV Dashboards

To help PHAs track the status of their cumulative EHV leases in comparison to their EHV-CACC and their success rate, HUD has provided the EHV data dashboard at www.hud.gov/ehv that uses a 180-day lease rate. PHAs are strongly encouraged to review this dashboard regularly and before making decisions to issue EHV vouchers after September 30, 2023.

4. Household Moves and Changes After September 30, 2023

EHV participants may still move (including under portability) after September 30, 2023. The the termination of vouchers upon turnover provision does not impact an individual or family’s ability to move within the PHA’s jurisdiction or their ability to move under the portability procedures to another PHA’s jurisdiction. As a reminder, if the EHV family moves under portability to another PHA that does not administer EHV under its own EHV-CACC, the receiving PHA may absorb the family into its regular HCV program or may bill the initial PHA.

If the EHV family breaks up, PHAs must follow regulations at 24 CFR § 982.315 and their HCV administrative plan on how to decide who remains in the program and continues to receive EHV assistance. In the event of the death of the head of household, the family may continue to receive EHV assistance, assuming that a family member is already on the lease or has the legal capacity to enter a lease. The PHA may continue to assist the family even in circumstances where the head of household was the individual meeting EHV eligibility requirements.

EXAMPLES PERTAINING TO PORTABILITY

- (1) On October 1, 2023, PHA-1 is at its cumulative EHV lease-ups of 100. PHA-1 receives a request from a tenant, Caleb, to port his EHV. Caleb successfully ports at PHA-2 on November 12, 2023. PHA-2 is not at its cumulative EHV lease-up count; therefore, Caleb is absorbed as an EHV program participant at PHA-2. PHA-1 cannot reissue the EHV and its EHV-CACC will eventually decrease to 99 EHV. In the interim, PHA-1 can use HUD’s EHV data dashboard to track their cumulative EHV leases in comparison to its EHV-CACC.
- (2) On October 29, 2023, PHA-1 receives a request from a tenant, Bob, to port his EHV. PHA-2 cannot absorb Bob into its EHV program because it is 100% utilized and has leased all of its EHV. Therefore, PHA-2 bills PHA-1, and Bob remains an EHV program participant under PHA-1 EHV-CACC.

5. EHV Shortfalls

This section provides information for PHAs that must request HUD assistance in resolving EHV program funding shortfalls for either per-unit cost increases or overleasing. PHAs are reminded that other Housing Choice Voucher (HCV) Program funds may not be used to address EHV shortfalls.

All EHV shortfall requests must be submitted to EHVShortfalls@hud.gov.

a. Per-Unit Cost Adjustments

PHAs that despite taking reasonable efforts to manage their EHV program effectively, would otherwise be required to terminate participating families from the program due to insufficient Housing Assistance Payment (HAP) funds, may request an adjustment to the PHA's renewal allocation. In accordance with section 7.b.4 of PIH Notice 2021-15, HUD may adjust renewal allocations during the renewal calendar year for EHV per-unit cost increases for unforeseen circumstances that occurred within or after the benchmarking period which the PHA could not reasonably have anticipated and were out of the PHA's control. In applying for a renewal funding adjustment for increased costs, the PHA must indicate the number of EHV voucher holders that are actively searching for a unit and the number of currently leased voucher holders, as well as the unforeseen circumstances (e.g., higher rents/unexpectedly higher success rate/rent increases above and beyond the Renewal Funding Inflation Factor (RFIF) used to calculate the PHA's renewal funding allocation).

Through issuance of this notice, HUD is amending section 7.b.4 of PIH Notice 2021-15 to allow for adjustments upon request by the PHA for cost increases that are not out of the PHA's control or unforeseen but that were deemed reasonable and necessary by HUD for the effective administration of the EHV program. For example, if the PHA increased its EHV payment standards in order to improve success rates and/or allow EHV families to continue to afford to remain in their units when owners increase the rents and as a result the PHA has insufficient funding available, HUD may adjust the PHA's EHV funding allocation accordingly.

b. Overleasing

Upon awareness of potential or actual EHV-CACC overleasing (where the PHA's unit months leased (UMLs) exceed or can be expected to exceed the PHA's unit months available (UMAs) for the calendar year), the PHA must immediately stop issuing EHV's, including when directed to do so by HUD. HUD is further amending section 7.b.4 of PIH Notice 2021-15 to allow for adjustments to the PHA's renewal allocation to temporarily cover the costs of over-leased units if necessary to prevent the termination of EHV families due to insufficient funds until the overleasing is corrected through attrition, provided the PHA has taken reasonable steps as determined by HUD to mitigate the extent and duration of the overleasing.

HUD will further review each request to determine that the PHA's over-issuing of vouchers was predicated on reasonable estimates of leasing success rates. HUD reserves the right to reduce administrative fees in egregious cases of overleasing.

6. Revised Section 7.b.4 of PIH Notice 2021-15

Section 7.b.4 of PIH Notice 2021-15, Emergency Housing Vouchers – Operating Requirements, issued May 5, 2021, is amended to read as follows:

- a. Adjustments to the PHA’s EHV renewal allocation may also be made during the HCV renewal funding calendar year. Subject to the availability of the remaining funds, HUD will adjust the renewal allocations upon request by a PHA for:
 - i. EHV per-unit cost increases for unforeseen circumstances that occurred within or after the benchmarking period which the PHA could not reasonably have anticipated and were out of the PHA’s control.
 - ii. EHV per-unit cost increases that are deemed reasonable and necessary by HUD for the effective administration of the EHV program (e.g., payment standard increases due to increasing rents to ensure EHV families can continue to lease their units).

- b. To prevent situations where the PHA would otherwise be required to terminate participating EHV families from the program due to insufficient funds, provided the PHA takes reasonable steps (including any steps directed by HUD) as determined by HUD to prevent or minimize the amount of the shortfall. This category includes adjustments to the PHA’s renewal allocation to temporarily cover the costs of over-leased units in order to prevent the termination of EHV families, provided the PHA has taken reasonable steps as determined by HUD to mitigate the extent and duration of the over-leasing.

7. Further Information

Questions concerning this notice should be submitted by email to the following HUD mailbox: ehv@hud.gov. All EHV shortfall requests must be submitted to EHVShortfalls@hud.gov.



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