



## OFFICE OF PUBLIC & INDIAN HOUSING

July 27, 2023

Dear Executive Director,

In January, the White House released a [Blueprint for a Renter Bill of Rights](#), which articulated principles to increase fairness in the rental market, strengthen tenant protections, and encourage rental affordability. One of the principles focused on ensuring renters and rental applicants know their existing legal rights and protections.

Across the housing market, landlords increasingly rely on [tenant screening reports](#) as part of their selection criteria, but research shows that these reports [often include](#) inaccurate information, including inaccuracies in criminal and eviction records and credit history. If prospective renters are not given the opportunity to review and correct the information in these reports, then they may be repeatedly denied housing as a result of inaccurate information in their tenant screening reports. In addition, housing providers may miss opportunities to consider qualified applicants as tenants.

The goal of this outreach is to remind you of legal requirements around disclosing denials of admission to applicants and to share best practices around the use of tenant screening reports and the disclosure of the contents of those reports to tenants. For example, PHAs must provide written notice of denial under HUD rules, and any housing provider that uses tenant screening reports to make adverse tenant decisions must provide [adverse action notices](#) under the Fair Credit Reporting Act (FCRA). The most efficient way to comply with both obligations is to include the FCRA notice in writing as part of the denial letter that PHAs send to denied applicants. HUD strongly encourages that PHAs provide the FCRA notice in writing as a way to ensure PHA compliance with the notice requirements.

### **Notice Obligations for Denial of Admission for Public Housing**

The Public Housing program requires PHAs to promptly notify any applicant determined to be ineligible for admission and must provide the applicant an opportunity for an informal hearing on the denial upon request, within a reasonable time after the determination is made.[\[1\]](#)

PHAs must send a notice of denial to an applicant who is denied admission, which:

- Clearly states the reason for the denial;
- States the time period and process for requesting an informal hearing;
- Provides notice to the applicant that a person with a disability has the opportunity to request a reasonable accommodation; and
- Provides notice of the mandatory VAWA Notice of Occupancy Rights, along with form HUD-5382.[\[2\]](#)

PHAs have additional regulations regarding the denial of admission based on criminal conviction records;[\[3\]](#) status as a victim of domestic violence, dating violence, sexual assault, or stalking;[\[4\]](#) and civil rights and antidiscrimination laws.[\[5\]](#) For more detailed information, please refer to the [Public Housing Occupancy Guidebook](#) chapter on [Eligibility Determination and Denial of Assistance](#).

## Notice Obligations for Denial of Admission for Housing Choice Vouchers

The Housing Choice Voucher program requires that PHAs give applicants prompt written notice of a decision denying admission to the program. The notice must include a brief statement of the reason for the decision, as well as state the applicant may request an informal review of the decision and provide instructions on how to arrange such a review.[\[6\]](#)

## Notice Obligations under FCRA

Under FCRA, [all landlords or property managers](#) (including PHAs that rent properties to HCV families or operate public housing) are required to inform rental applicants if information from a tenant screening report played a role in rejecting a rental applicant or taking another action unfavorable to the applicant. This requirement is known as the adverse action notice. Failure to provide the notice may subject landlords and property managers to legal liability under state and federal law. As Federal Trade Commission guidance explains, the adverse action notice must communicate the following information:

- The name, address, and phone number of the tenant screening company;
- That a consumer can receive a free copy of the report from the tenant screening company within 60 days;
- That a consumer has the right to dispute any information that is incorrect; and
- That the tenant screening company did not make the decision to take the unfavorable action and cannot give specific reasons for it.

The Consumer Protection Financial Bureau and the Federal Trade Commission, two federal agencies, enforce this requirement of the Fair Credit Reporting Act. There are additional resources you can review [here](#).

## Recommended Best Practices

When a PHA denies an applicant for an assisted housing program, HUD strongly encourages PHAs to do the following:

- Provide written adverse action notices to applicants as part of the denial letter; and
- Provide a copy of any tenant screening report you relied on when making an adverse action determination to an applicant.

A written notice paired with the report allows PHAs to demonstrate they have fulfilled their legal obligations under the Fair Credit Reporting Act, and also permits applicants to understand the basis for any denial, fully assert their rights with tenant screening companies, and more effectively correct their records.

HUD also encourages PHAs to inform landlords participating in the voucher program of their obligations to provide adverse action notices to applicants who are denied housing based on information contained within the applicant's tenant screening report. Note that FCRA requirements apply to both their assisted and unassisted tenants.

Many thanks,



Richard J. Monocchio  
Principal Deputy Assistant Secretary  
Office of Public and Indian Housing

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[1] See 24 CFR 960.208(a).

[2] See Section 10.1.1 of the Public Housing Occupancy Guidebook.

[3] See 24 CFR § 5.903(f); § 5.905(d); § 960.204(c), as well as Section 7.1.4 of the [Public Housing Occupancy Guidebook](#).

[4] See 24 CFR § 5.2005(b).

[5] Relevant civil rights and antidiscrimination laws include the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 (Section 504), the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990 (ADA), as well as the nondiscrimination and equal opportunity provisions of 24 CFR 5.105(a).

[6] See 24 CFR 982.201(f) and 24 CFR 982.554(a-c).