

Housing Choice Voucher Program CY 2023 Portability Administrative Fee Rates

Effective until further notification from HUD, receiving PHAs must calculate the fee to apply to portable vouchers using the steps that follow:

Step 1: Use the lower of either 80% of the initial or 100% of the receiving PHAs column B rate for CY 2023; and

Step 2: Then, multiply the rate selected in step 1 above by the estimated national proration factor 97.5% for January through June 2023.

We initially advanced administrative fee funding to PHAs at 89.5% proration; however, based on the March 31st and June 30th, 2023 reconciliations, HUD will process additional obligations to PHAs in September 2023 to increase the national proration to 95% for July through October 2023. The main reason for this increase is the increased Administrative Fee appropriation in 2023.

Unless there are arrangements between the PHAs, HUD's recommendation is that port-in PHAs bill the initial PHAs at 97.5% proration for January through June 2023. While administrative fees were obligated to PHAs at 95% proration for July through October 2023, HUD will continue to update the proration factors upon the completion of quarterly reconciliations and update them within this document.

- **Estimated January 2023, at 97.5%**
- **Estimated February 2023, at 97.5%**
- **Estimated March 2023, at 97.5%**
- **Estimated April 2023, at 97.5%**
- **Estimated May 2023, at 97.5%**
- **Estimated June 2023, at 97.5%**
- **Estimated July 2023, at 95%**
- **Estimated August 2023, at 95%**
- **Estimated September 2023, at 95%**
- **Estimated October 2023, at 95%**

In addition to this document, HUD will continue to alert PHAs individually through the quarterly reconciliation letters. The proration factor may change due to leasing trend changes, or incremental funding from carryover or recaptures reprogrammed to the administrative fee account.

The following table has an **example** of the Portability Administrative Fee calculation, based on a Column B rate of \$60.59 for the initial PHA and \$42.05 for the receiving PHA and assumes a proration at 97.5%. HUD's recommendation is to apply the proration for billing purposes prospectively, considering the date your housing agency receives the change in proration announcement.

PHA A (initial PHA)	Column B Rate x 0.80
	\$ 60.59 x 0.80 = \$48.47
PHA B (receiving PHA)	Column B Rate x 1
	\$ 42.05 x 1 = \$42.05
<i>The lower rate in this example is the receiving PHAs \$42.05</i>	
<i>Lower Rate x the current national proration</i>	<i>\$42.05 x 0.975 = \$41.00</i>
<i>Portability Fee Billing Rate = \$41.00</i>	

Please note, these portability fee procedures also apply to the Mainstream Vouchers.

If you need further assistance with this narrative, please contact the Financial Management Division at PIHFinancialManagementDivision@hud.gov.