

HUD-VASH Operating Requirements FAQs for PHAs and VAMCs

Updated December 9, 2024

Effective Date and Implementation

When are the updated HUD-VASH Operating Requirements effective?

The updated HUD-VASH Operating Requirements became effective upon publication in the August 13, 2024, Federal Register Notice ([FR-6476-N-01](#)). PHAs administering HUD-VASH vouchers must now follow the updated [HUD-VASH Operating Requirements](#). The new requirements and additional helpful information can be found on the [HUD-VASH website](#).

Do PHAs need to wait to update their PHA Administrative Plan to implement new mandatory requirements?

No. For the new mandatory HUD-VASH program requirements, PHAs must implement those immediately whether or not the Administrative Plan has been updated with the new policies. However, PHAs will need to update their PHA Administrative Plans prior to implementing any of the available HUD-VASH discretionary flexibilities.

Will the new requirements apply to all PHAs or only the PHAs who were awarded the latest round of HUD-VASH vouchers?

These HUD-VASH Operating Requirements and the changes apply to all PHAs administering the HUD-VASH program, even those only administering vouchers under portability.

Income Eligibility

Do “low-income” HUD-VASH veterans also need to have an additional eligibility criterion as detailed in 24 CFR 982.201(b)(1)?

No, in the HUD-VASH program, all referred veterans up to 80% AMI (low-income) are considered income eligible.

Are Veterans’ pensions excluded for HUD-VASH eligibility?

No. Under the new HUD-VASH Operating Requirements, the only additional income exclusion that was added is for VA service-connected disability payments.

Do the HUD-VASH Operating Requirements also exclude VA service-connected disability for the Low Income Housing Tax Credit (LIHTC) program when paired with a HUD-VASH voucher?

No, the HUD-VASH Operating Requirements only apply to the HUD-VASH program; however, IRS has published guidance for the exclusion of VA disability benefits in LIHTC connected with HUD-VASH: <https://www.irs.gov/pub/irs-drop/rp-24-38.pdf>.

If a veteran was recently determined to be over-income due to service-connected disability income, would the updated HUD-VASH Operating Requirements change the eligibility for this veteran?

Yes, if a veteran was previously referred and determined to be ineligible based on income, their eligibility may change either because 1) the PHA did not previously serve veterans up to 80% AMI, and/or 2) it was the veteran's service-connected disability income that made them ineligible. If the veteran is now HUD-VASH eligible based on the changes to the HUD-VASH Operating Requirements, they may be re-referred for a voucher.

Does the change in HUD-VASH operating requirements related to service-connected disability income impact veterans whose HUD-VASH assistance ended because they became zero-HAP, due to an increase in service-connected disability income?

No, income eligibility for HUD-VASH is only determined at initial admission into the program. If a veteran was at zero Housing Assistance Payment (HAP) for 180 days due to an increase in income, and their HUD-VASH assistance was terminated, that would not change under the new requirements since the exclusion of VA service-connected disability only applies to program eligibility determinations and does not apply to rent calculations.

How will the exclusion of VA service-connected disability benefits affect veterans currently under contract and paying minimum rent portions that include VA service-connected disability payments in the rent portion calculations?

This change only applies to program eligibility, so there will be no change for rent calculations and no change for those already on the program.

How should PHAs calculate income eligibility for HUD-VASH veterans with service-connected disability benefits?

In cases where a HUD-VASH veteran is over 80% AMI with service-connected disability at the time of admission, PHAs should manually calculate income eligibility without the service-connected disability. This should be documented for PHA records; however, the HUD-50058 will reflect the annual income and adjusted income including the VA service-connected disability amounts because these must still be included for rent calculation.

Can a veteran be zero-HAP for initial lease up of a tenant-based HUD-VASH voucher?

No. The new option for the PHA to permit a HUD-VASH participant to be zero-HAP at initial lease up only applies to those selecting a unit in a HUD-VASH project-based voucher (PBV) project on the grounds of a VA facility or in HUD-VASH PBV unit with on-site HUD-VASH supportive services. For all tenant-based HUD-VASH assistance, there must be a HAP being paid to execute a HAP contract.

Portability

Can HUD-VASH veterans be rescreened if they are ported to another PHA/VAMC?

HUD-VASH veterans that have received HAP assistance from the initial PHA are not subject to initial program rescreening when they move under portability. However, if a HUD-VASH veteran has not been

issued a voucher and is porting as a new admission, they must be screened as a new admission using the applicable screening requirements described in the HUD-VASH Operating Requirements.

Project-Based Vouchers

For HUD-VASH PBV projects to be eligible for noncompetitive selection, do they need to meet one of the noncompetitive selection categories under 24 CFR 983.51(c)?

Generally, yes; HUD-VASH PBV proposals or projects must be selected in accordance with the requirements at 24 CFR 983.51(b) or (c). However, HUD has established an alternative requirement under 24 CFR 983.51(c) to permit noncompetitive selection of one or more PBV projects with units made exclusively available to HUD-VASH families on the site of a VA facility. As with other categories of noncompetitive selection, PHAs must notify the public of its intent to noncompetitively select one or more projects for PBV assistance through its 5-Year PHA Plan and to ensure any project selection is consistent with the PHA Administrative Plan.

Can regular non-HUD-VASH PBV units be located on the grounds of a VA facility in the same development with HUD-VASH PBV?

No. The HUD-VASH Operating Requirements waiver of 24 CFR 983.52(a)(2) only applies to units made available exclusively for HUD-VASH eligible families. PHAs are reminded that they may request regulatory waivers under PIH Notice 2018-16, and are encouraged to engage in early discussions with their local field office if considering a development on the grounds of a VA facility where regular HUD-VASH PBV and non-HUD-VASH PBV units are desired.

Can there be different contract rents for similar units in a PBV project when there is a HUD-VASH exception payment standard that applies for units made exclusively available to HUD-VASH families?

No, there can only be one contract rent for similar units in a PBV project. A HUD-VASH exception payment standard may only be applied in cases where the project consists only of units made available exclusively for HUD-VASH.

How does the income eligibility requirement of up to 80 percent of AMI for the HUD-VASH program work when HUD-VASH PBV units are combined with Low Income Housing Tax Credit (LIHTC)?

The income eligibility requirements detailed in the HUD-VASH Operating Requirements apply only to the HUD-VASH program. LIHTC income limits for a particular PBV unit may be more restrictive than the HUD-VASH program. PHAs are encouraged to fully understand the various income limits of the LIHTC program, and the implications for the number of HUD-VASH families that would be eligible for those units, prior to entering into PBV contracts that are layered with LIHTC.

In cases where PHAs admit zero-HAP families for HUD-VASH PBV, is the unit required to be removed from the PBV HAP Contract after 180 days?

A PHA may only admit a HUD-VASH family with a zero-HAP to a PBV unit if such unit is made exclusively available to HUD-VASH families and the PBV project is either on the grounds of a VA facility or there are HUD-VASH supportive services provided on-site at the project. In those cases, the PHA does not have to remove the unit from the PBV contract after 180 days. The limit of 180 days at zero-HAP normally

applicable per 24 CFR 983.211 and 983.258 does not apply to HUD-VASH families that were admitted into HUD-VASH PBV as zero-HAP because there is no last housing assistance payment that would trigger the unit removal date of 180 days.

However, PHAs have discretion to remove the unit under the conditions described in the HUD-VASH Operating Requirements. For example, the PHA could remove the unit to free up the HUD-VASH voucher to be used in another unit or as tenant-based assistance, the unit may be removed from the PBV HAP contract no earlier than 180 days from the start of the family's PBV tenancy. The family may not be required to move from the unit, though, and continues to receive HUD-VASH supportive services.

Can the PHA reinstate a unit on the PBV HAP contract if the residing HUD-VASH veteran previously became zero-HAP for 180 days, was terminated from the program but remained in the unit (the unit was removed from the PBV HAP contract)?

No, the PHA discretion to select a unit occupied by a zero-HAP HUD-VASH eligible family to be included under the PBV HAP contract (if such unit is made exclusively available to HUD-VASH families and the PBV project is either on the grounds of a VA facility or there are HUD-VASH supportive services provided on-site at the project) applies only when the family living who will be living in the unit is an unassisted veteran family that the VA is referring for initial assistance under the HUD-VASH program.

Inspections

Can an occupied unit be inspected if it is occupied by the HUD-VASH veteran who is seeking to lease in place with their HUD-VASH voucher?

Yes, an occupied unit may be inspected if the occupant is the voucher-holder and they are leasing in place.

Can PHAs pre-inspect units for HUD-VASH participants up to 90 days before a RFTA is submitted?

Yes.

Exception Payment Standards

What process should PHAs follow when seeking approval of a HUD-VASH program exemption payment standard (EPS) above 120%?

PHAs may follow the general EPS process and guidance in [Notice PIH 2024-34: Updated and Consolidated Policy Guidance on Housing Choice Voucher \(HCV\) Program Payment Standards](#).

What process should PHAs follow when seeking approval of an individual EPS as a reasonable accommodation (RA) above 140%?

The RA EPS guidance in Notice PIH 2024-34 refers back to [Notice PIH 2023-18](#). However, an updated notice on RA EPS is expected to be published soon.

Minimum Rents

If a PHA adopts a \$0 minimum rent for HUD-VASH participants is that applied retroactively or only going forward?

After the change has been adopted by the PHA in their PHA Administrative Plan, it will apply to all applicable new HUD-VASH rent calculations as well as any applicable HUD-VASH recertifications after the date of adoption.