MTW and Special Purpose Vouchers FAQs  
(Updated October 2021)

MTW and Special Purpose Vouchers

What are Special Purpose Vouchers?

- Special Purpose Vouchers (SPVs) are specifically provided for by Congress in line-item appropriations which distinguish them from regular vouchers.

- Examples of Special Purpose Vouchers are:
  - HUD-Veteran Affairs Supportive Housing (VASH)
  - Family Unification Program (FUP)
  - Foster Youth to Independence (FYI)
  - Non-Elderly Disabled (NED)
  - Mainstream
  - Mobility Demonstration
  - Emergency Housing Vouchers (EHV)
  - Tenant Protection Voucher (TPV)

HUD-VASH Vouchers

What is the purpose of HUD-VASH Vouchers?

- The HUD–VASH program combines HUD Housing Choice Voucher (HCV) rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs at its medical centers and in the community.

Does HUD-VASH voucher funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?

- HUD-VASH voucher funding is not eligible for fungibility under the Standard MTW Agreement or the MTW Operations Notice.

What are the operating requirements for HUD-VASH Vouchers?

- HUD-VASH Vouchers have separate operating requirements and must be administered in accordance with the requirements listed at https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash. The operating requirements waive and alter many of the standard HCV statutes and regulations at 24 CFR 982. Unless stated in the HUD-VASH operating requirements,

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1 Tenant Protections Vouchers are not a type of Special Purpose Voucher. They are included in this FAQ because many of the same questions are asked of them regarding reporting and the ability to apply MTW flexibilities.

2 MTW agencies have the flexibility to apply funding fungibility among public housing Operating Fund, public housing Capital Fund, HCV HAP, and HCV Administrative Fee funding. This funding flexibility does not apply to SPVs. SPV Budget Authority may only be used for SPV HAP Expenses.
however, the regulatory requirements at 24 CFR 982 and all other HUD directives for the HCV program are applicable to HUD-VASH vouchers.

Are there any operating MTW flexibilities that can be applied to HUD-VASH Vouchers?

- In cases where MTW flexibilities conflict with the HUD-VASH authorizing language or other HUD-VASH Operating Requirements, the HUD-VASH requirements take precedence over the MTW flexibility. However, PHAs may submit a request to their local Field Office to operate HUD-VASH Vouchers in accordance with MTW administrative flexibilities. Below is the waiver request process:
  1. PHA submits request to apply specific MTW related flexibilities to VASH vouchers with a good cause justification to its local Field Office;
  2. The Field Office reviews the request and submits its recommendation for approval or denial to the Office of Housing Voucher Program’s Management and Operations Division (HVMOD); and
  3. The HVMOD recommends final determination and approvals are signed by the Office of Public Housing and Voucher Programs (OPHVP) Deputy Assistant Secretary.

- When assessing the request, the HVMOD will consider the impact of the MTW activities on the target population. If the MTW provisions are not detrimental to the intended population, HUD may approve the request and waive the HUD-VASH operating requirements accordingly.
- If approved to operate in accordance with MTW flexibilities, the agency must update its Administrative Plan but would not be required to amend its Annual MTW Plan or MTW Supplement.

What are the reporting requirements for HUD-VASH Vouchers?

- PHAs must follow reporting requirements contained in Notice PIH 2011-53.
- The HUD-50058 MTW or HUD-50058 MTW Expansion form may be used if the PHA has received approval to apply MTW flexibilities to HUD-VASH vouchers.
- The code ”VASH” has been established for use on line 2n of HUD-50058 to indicate that the family is a participant. The field for entering HUD-VASH Vouchers is 2p of the HUD-50058 MTW and line 2n of the HUD-50058 MTW Expansion.

If PHAs utilize MTW flexibilities, they must report on HUD-VASH vouchers and their funding separately from other MTW vouchers under the Standard MTW Agreement or MTW Operations Notice in the VASH fields of the Voucher Management System (VMS).
**Family Unification Program (FUP)**

*What is the purpose of Family Unification Program (FUP) Vouchers?*

FUP is a program under which HCVs are provided to two different populations:

- Families for whom the lack of adequate housing is a primary factor in either:
  - The imminent placement of the family’s child or children in out-of-home care.
  - The delay in the discharge of the child or children to the family from out-of-home care.
- Youths ages 18 to 24 years old who:
  - Left foster care at age 16 or older or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act; and
  - Are homeless; or
  - Are at risk of homelessness.
- By statute, FUP vouchers issued to youths may only be used to provide housing assistance for a maximum of 36 months. There is no time limitation on FUP family vouchers. FUP vouchers enable these families and youths to lease decent, safe, and sanitary housing in the private housing market.

*Is the Foster Youth to Independence (FYI) initiative a part of FUP?*

- FYI is the name given to funding that has been appropriated for FUP-youth only. HUD makes FYI funding available separate from the FUP funding that is targeted to FUP-eligible families and FUP-eligible youth.

*Does FUP voucher funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?*

- FUP funds are not eligible for fungibility under the Standard MTW Agreement or the MTW Operations Notice.

*Do PHAs have the flexibility to operate FUP Vouchers in accordance with their Standard MTW Agreements or the MTW Operations Notice?*

- The NOFA language allows vouchers to be administered in accordance with Standard MTW Agreements or the MTW Operations Notice unless MTW provisions are inconsistent with the appropriations act or requirements of the NOFA. No additional approval is needed from Office of Public Housing and Voucher Programs.
- In the event of a conflict between the flexibilities in the Standard MTW Agreement/MTW Operations Notice and the appropriations act or NOFA language, the act and NOFA govern.
- Applicable NOFAs include FY 2008, 2009, 2010, 2017/18, and 2019 FUP NOFAs,
What are the reporting requirements for FUP Vouchers?

- The HUD-50058 MTW or HUD-50058 MTW Expansion form may be used if MTW flexibilities are applied to these vouchers.
- Special Purpose codes must be identified on the HUD-50058 (or the HUD-50058 MTW or HUD-50058 MTW Expansion, if using) for FUP families.
  - The codes for FUP are:
    - FUPF for FUP-eligible families
    - FUPY for FUP-eligible youths
- PHAs must also report in the FUP components of VMS.

What fields should agencies use to report FUP Vouchers in VMS?

- There are two VMS fields that PHAs must use when reporting their FUP vouchers and corresponding HAP expenses into VMS; the “Family Unification” and “2008 & 2009 Family Unification” fields. The “Family Unification” field is only used to report FUP vouchers awarded to the PHA under 2001 and prior appropriations. The “2008 & 2009 Family Unification” field is only used to report FUP vouchers awarded to the PHA under the FY2008, FY2009, or subsequent appropriations.

What fields should agencies use to report FUP Vouchers into the HUD-50058 MTW or HUD-50058 MTW Expansion?

- The field for entering FUP Vouchers is 2p in HUD-50058 MTW or line 2n of the HUD-50058 MTW Expansion.

**Foster Youth to Independence (FYI)**

What is the purpose of Foster Youth to Independence (FYI) Vouchers?

- The FYI initiative allows PHAs partnering with Public Child Welfare Agencies (PCWAs) to request HCVs to assist eligible youth for a period of 36 months, subject to availability.
- Eligible youth must meet the following conditions:
  - Has attained at least 18 years and not more than 24 years of age;
  - Left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age 16 or older; and
  - Is homeless or is at risk of becoming homeless.

Who is eligible to request FYI Vouchers?

- PHAs are eligible if they currently administer the HCV Program and do not administer FUP. PHAs that administer FUP, awarded any year, are not eligible to administer assistance under FYI TPV. A list of PHAs that administer the HCV program and do not administer FUP is available at the [FYI webpage](#).
Are these vouchers made available through a competition, or on a rolling basis?

- These vouchers are made available on a rolling basis through PIH notice and through a NOFO.

Are these vouchers available for re-issuance upon turnover?

- Vouchers awarded under PIH Notice 2019-20 (HA), referred to as FYI TPVs, are not available for re-issuance upon turnover. These vouchers “sunset” when the youth leave the program. Vouchers awarded under Notice PIH 2020-28, referred to as FYI vouchers, are available for re-issuance to FUP-eligible youth upon turnover.

Does FYI voucher funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?

- FYI funds are not eligible for fungibility under the Standard MTW Agreement or the MTW Operations Notice.

Do PHAs have the flexibility to operate FYI Vouchers in accordance with their Standard MTW Agreements or the MTW Operations Notice?

- The vouchers may be administered in accordance with Standard MTW Agreements or the MTW Operations Notice unless MTW provisions are inconsistent with the appropriations act or requirements of the FYI program requirements. No additional approval is needed from Office of Public Housing and Voucher Programs.
- In the event of a conflict between the flexibilities in the Standard MTW Agreement/MTW Operations Notice and the appropriations act or FYI program requirements language, the act and FYI program requirements language govern.

What are the reporting requirements for FYI Vouchers?

- The HUD-50058 MTW or HUD-50058 MTW Expansion form may be used if MTW flexibilities are applied to these vouchers.
- Special purpose codes must be identified on the HUD-50058 (or the HUD-50058 MTW or HUD-50058 MTW Expansion, if using) for FYI youth.
  - The code for FYI is FYITPV for vouchers awarded under Notice PIH 2019-20, and FYI for vouchers awarded under Notice PIH 2020-28.
- PHAs must also report in the FUP components of VMS.

What fields should agencies use to report FYI Vouchers in VMS?

- Family Unification 2008/Forward – MTW.

What fields should agencies use to report FYI Vouchers into the HUD-50058 MTW or HUD-50058 MTW Expansion?

- The field for entering FYI Vouchers is 2p in the HUD-50058 MTW or line 2n of the HUD-50058 MTW Expansion.
**Non-Elderly Disabled (NED) Vouchers**

*What is the purpose of Non-Elderly Disabled Vouchers (NED)?*

- NED Vouchers are designed to provide assisted housing to families whose head, spouse, or co-head is a person with a disability under age 62 as of the date of signing the HAP contract. NED Category 2 vouchers are specifically for non-elderly persons with disabilities transitioning from nursing homes or other health facilities into the community.

*Does NED voucher funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?*

- NED funds are not eligible for fungibility under the Standard MTW Agreement or the MTW Operations Notice.

*Do PHAs have the flexibility to operate NED Vouchers in accordance with their Standard MTW Agreements or the MTW Operations Notice?*

- The NOFA language allows vouchers to be administered in accordance with Standard MTW Agreements or the MTW Operations Notice unless MTW provisions are inconsistent with the appropriations act or requirements of the NOFA. No additional approval is needed from Office of Public Housing and Voucher Programs.
- In the event of a conflict between the flexibilities in the Standard MTW Agreement/MTW Operations Notice and the appropriations act or NOFA language, the act and NOFA govern.
- Applicable NOFAs include FY2009 NED NOFA and FY 2008 Certain Developments and Designated Housing NOFA.

*What are the reporting requirements for NED Vouchers?*

- The HUD-50058 MTW or HUD-50058 MTW Expansion form may be used if MTW flexibilities are applied to these vouchers.
- Special purpose codes must be identified on the HUD-50058 (or the HUD-50058 MTW or HUD-50058 MTW Expansion, if using) for NED families.
  - The code for all NED vouchers except NED Category 2 is NED
  - The code for NED Category 2 vouchers is NHT
- PHAs must also report in the NED fields of VMS.

*What fields should agencies use to report NED vouchers in VMS?*

- PHAs report all NED vouchers leased in the “2008 and 2009 Non-Elderly Disabled” field in VMS. This includes NED vouchers awarded prior to 2008 under the One-year Mainstream program, or any other increment of vouchers awarded for the NED population since 1997.
What fields should agencies use to report NED Vouchers into the HUD-50058 MTW or HUD-50058 MTW Expansion?

- The field for entering NED Vouchers 2p in HUD-50058 MTW or line 2n of the HUD-50058 MTW Expansion.

Mainstream Voucher Program

What is the purpose of the Mainstream Voucher Program?

- Mainstream vouchers are designed to provide assisted housing to families that include a non-elderly person with disabilities who is at least age 18 and not yet 62 years of age at the time the HAP contract is signed. The eligible family member does not need to be the head, spouse, or co-head.

Does Mainstream funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?

- Mainstream funds are not eligible for fungibility under the Standard MTW Agreement or the MTW Operations Notice.

Do PHAs have the flexibility to operate Mainstream Vouchers in accordance with their Standard MTW Agreements or the MTW Operations Notice?

- The NOFA language allows vouchers to be administered in accordance with Standard MTW Agreements or the MTW Operations Notice unless MTW provisions are inconsistent with the appropriations act or requirements of the NOFA. No additional approval is needed from Office of Public Housing and Voucher Programs.
- In the event of a conflict between the flexibilities in the Standard MTW Agreement/MTW Operations Notice and the appropriations act or NOFA language, the act and NOFA govern.
- Applicable NOFAs include FY 2017 and FY 2019 Mainstream NOFAs.

What are the reporting requirements for Mainstream Vouchers?

- The HUD-50058 MTW or HUD-50058 MTW Expansion form may be used if MTW flexibilities are applied to these vouchers.
- Special Purpose codes must be identified on the HUD-50058 (or the HUD-50058 MTW or HUD-50058 MTW Expansion, if using) for Mainstream families.
  - The code for all Mainstream vouchers is MS5
- PHAs must report Mainstream HAP and units in the Mainstream 5 Year section of VMS.

What fields should agencies use to report Mainstream vouchers in VMS?

- PHAs report all Mainstream vouchers leased under Mainstream 5 Year in VMS.

What fields should agencies use to report Mainstream Vouchers into the HUD-50058 MTW or HUD-50058 MTW Expansion?

- The field for entering NED Vouchers 2p in HUD-50058 MTW or line 2n of the HUD-50058 MTW Expansion.

Mainstream Voucher Program

What is the purpose of the Mainstream Voucher Program?

- Mainstream vouchers are designed to provide assisted housing to families that include a non-elderly person with disabilities who is at least age 18 and not yet 62 years of age at the time the HAP contract is signed. The eligible family member does not need to be the head, spouse, or co-head.

Does Mainstream funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?

- Mainstream funds are not eligible for fungibility under the Standard MTW Agreement or the MTW Operations Notice.

Do PHAs have the flexibility to operate Mainstream Vouchers in accordance with their Standard MTW Agreements or the MTW Operations Notice?

- The NOFA language allows vouchers to be administered in accordance with Standard MTW Agreements or the MTW Operations Notice unless MTW provisions are inconsistent with the appropriations act or requirements of the NOFA. No additional approval is needed from Office of Public Housing and Voucher Programs.
- In the event of a conflict between the flexibilities in the Standard MTW Agreement/MTW Operations Notice and the appropriations act or NOFA language, the act and NOFA govern.
- Applicable NOFAs include FY 2017 and FY 2019 Mainstream NOFAs.

What are the reporting requirements for Mainstream Vouchers?

- The HUD-50058 MTW or HUD-50058 MTW Expansion form may be used if MTW flexibilities are applied to these vouchers.
- Special Purpose codes must be identified on the HUD-50058 (or the HUD-50058 MTW or HUD-50058 MTW Expansion, if using) for Mainstream families.
  - The code for all Mainstream vouchers is MS5
- PHAs must report Mainstream HAP and units in the Mainstream 5 Year section of VMS.

What fields should agencies use to report Mainstream vouchers in VMS?

- PHAs report all Mainstream vouchers leased under Mainstream 5 Year in VMS.

What fields should agencies use to report Mainstream Vouchers into the HUD-50058 MTW or HUD-50058 MTW Expansion?
- The field for entering Mainstream Vouchers is 2p in the HUD-50058 MTW line or 2n of the HUD-50058 MTW Expansion.

**HCV Mobility Demonstration**

*What is the purpose of the HCV Mobility Demonstration?*

The Housing Choice Voucher (HCV) Mobility Demonstration is for new vouchers for families with children and the remainder is available for mobility-related services.

The primary purposes of the demonstration are:

- To provide voucher assistance and mobility services to families with children to encourage such families to move to lower poverty areas;
- To expand their access to opportunity areas; and
- To evaluate the effectiveness of the strategies pursued under the demonstration.

This demonstration will allow participating PHAs throughout the country to implement housing mobility programs by offering mobility-related services to increase the number of voucher families with children living in opportunity areas. In addition to offering mobility-related services, participating PHAs will work together in their regions to adopt administrative policies that further enable housing mobility, increase landlord participation, and reduce barriers for families to move across PHA jurisdictions through portability.

*Does Mobility Demonstration funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?*

- Mobility Demonstration funds are not eligible for fungibility under the Standard MTW Agreement or the MTW Operations Notice.

*Do MTW PHAs have the flexibility to operate the HCV Mobility Demonstration in accordance with their Standard MTW Agreements or the MTW Operations Notice?*

- The Federal Register notice language allows vouchers to be administered in accordance with Standard MTW Agreements or the MTW Operations Notice unless MTW provisions are inconsistent with the appropriations act or requirements of the Federal Register notice. No additional approval is needed from the Office of Housing Voucher Programs.
- In the event of a conflict between the flexibilities in the Standard MTW Agreement/MTW Operations Notice and the appropriations act or Federal Register language, the act and NOFA govern.

*What are the reporting requirements for Mobility Demonstration Vouchers?*

- The HUD-50058 MTW form or HUD-50058 MTW Expansion form may be used if MTW flexibilities are applied to these vouchers.
• PHAs may be required to use special purpose codes identified on the HUD-50058 (or the HUD-50058 MTW or HUD-50058 MTW Expansion) for the HCV Mobility Demonstration families.

• PHAs must report the HCV Mobility Demonstration HAP and units in the relevant HCV Mobility Demonstration fields in VMS.
• PHAs must report mobility-related services expenditures in the format required by HUD.

Emergency Housing Voucher (EHV) Vouchers

What is the purpose of Emergency Housing Vouchers (EHV)?

The Emergency Housing Voucher (EHV) program is available through the American Rescue Plan Act (ARPA). Through EHV, HUD is providing 70,000 housing choice vouchers to local Public Housing Authorities (PHAs) in order to assist individuals and families who:

• Are homeless,
• At risk of homelessness,
• Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or
• Were recently homeless or have a high risk of housing instability.

Does EHV funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?

• EHKs are not eligible for funding fungibility under the Standard MTW Agreement or the MTW Operations Notice.

What are the operating requirements for EHKs?

• EHKs have separate operating requirements and must be administered in accordance with the requirements listed at PIH Notice 2021-15. The operating requirements waive and alter many of the standard HCV statutes and regulations at 24 CFR 982. Unless stated in the EHK operating requirements, however, the regulatory requirements at 24 CFR 982 and all other HUD directives for the HCV program are applicable to EHKs.

Are there any operating MTW flexibilities that can be applied to EHKs?

• In cases where MTW flexibilities conflict with the EHV authorizing language or other EHV Operating Requirements, the EHV requirements take precedence over the MTW flexibility. However, PHAs may submit a request to their local Field Office to operate EHKs in accordance with MTW administrative flexibilities. The request must not be in direct conflict with an EHV waiver or alternative requirement, and its application must not have a detrimental impact on EHV families. Below is the request process:
  1. PHA submits request to apply specific MTW related flexibilities to EHV vouchers with a supporting justification to its local Field Office;
2. The Field Office reviews the request and submits its recommendation for approval or denial to the Office of Housing Voucher Program’s Management and Operations Division (HVMOD) following the standard procedures for processing PHA waivers; and

3. The HVMOD recommends final determination and approvals are signed by the Office of Public Housing and Voucher Programs (OPHVP) Deputy Assistant Secretary.

- When assessing the request, the HVMOD will determine whether the flexibility will cause detrimental harm to EHV participants and whether it directly conflicts with an EHV waiver or alternative requirement. If HVMOD determines that the MTW provisions is not expected to cause detrimental hard to EHV participants and does not directly conflict with an EHV waiver or alternative requirement, the request may be approved.
- If approved to operate in accordance with MTW flexibilities, the agency must update its Administrative Plan but would not be required to amend its Annual MTW Plan or MTW Supplement to its PHA Plan.

**What are the reporting requirements for EHV s?**

- PHAs must follow reporting requirements contained in Notice PIH 2021-15, as revised by Notice 2021-20.
- The HUD-50058 MTW form or HUD-50058 MTW Expansion form may be used if the PHA has received approval to apply MTW flexibilities to EHV.
- The code "EHV" has been established for use on line 2n of HUD-50058 to indicate that the family is a participant. The field for entering EHV vouchers is 2p on the HUD-50058 MTW.  
- If PHAs utilize MTW flexibilities, they must report on EHV s and their funding separately from other vouchers under the Standard MTW Agreement or MTW Operations Notice in the EHV fields of VMS.

**Tenant Protection Vouchers**

**What are Tenant Protection Vouchers (TPVs)?**

- TPVs are HCVs provided to protect HUD-assisted families from hardship as the result of a conversion action that occurs in HUD’s Public Housing properties, the Multifamily Housing portfolios, and Moderate Rehabilitation properties. Certain conversion actions in the multifamily housing portfolio trigger eligibility for an enhanced voucher, a type of TPV with certain unique features, described below, that differ from regular HCV requirements. Set-aside TPVs are funded from a set-aside in appropriations acts under the TPV funding account for certain conversion actions in the multifamily housing portfolio.

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3 Once Public Housing Information Center - Next Generation (PIC-NG), the new information technology platform developed for the MTW Demonstration program’s expansion, becomes available, HUD will notify PHAs participating in the EHV program of any special instructions for transitioning from Inventory Management System (IMS)/PIC to PIC-NG.
An owner may choose to apply for set-aside TPVs as enhanced vouchers or as Project-Based Vouchers (PBVs).\textsuperscript{4} Regular TPVs are provided for certain multifamily actions that don’t qualify for an enhanced voucher or under the set-aside (such as HUD enforcement actions and HUD property dispositions)\textsuperscript{5} and for TPVs awarded in connection with a Public Housing repositioning action. Regular TPVs may be classified as a relocation TPV or a replacement TPV, depending on the circumstances of the conversion action. Unlike relocation TPVs, which are always tenant-based assistance, replacement TPVs may, in certain circumstances, be used for PBV assistance in accordance with PBV requirements.\textsuperscript{6} Enhanced vouchers and set-aside TPVs are always replacement TPVs.

TPVs are generally administered in accordance with regular HCV requirements, with some exceptions for enhanced vouchers. TPV funding is not automatically awarded to a PHA upon occurrence of an eligibility event. Instead, PHAs must apply for TPV funding separately as described in PIH Notice 2018-09. Under current policy, replacement TPVs (except for set-aside TPVs) may also be awarded for vacant units that were occupied by an assisted family in the previous 24 months (from the date of the eligibility event for Multifamily Housing/Mod Rehab actions and from the time of Office of Public and Indian Housing (PIH) approval or Choice Neighborhood Initiative (CNI) award date for Public Housing conversion actions).

What are Enhanced Vouchers?

- Enhanced vouchers are a type of TPV in which a higher payment standard is used by the administering PHA to determine the amount of housing assistance when the gross rent of the unit exceeds the PHA’s payment standard. Enhanced vouchers are provided as a result of specific actions in the Multifamily Housing portfolio and multifamily Moderate Rehabilitation properties (i.e., more than 4 dwelling units), as described in Section 8(t) of the 1937 Act (42 U.S.C. 1437f(t)).\textsuperscript{7} Some of the major features of an enhanced voucher are:
  - The PHA is required by statute to offer the enhanced voucher to families impacted by the Housing conversion action.

\textsuperscript{4} For more information on set-aside TPVs, see \textbf{PIH Notice 2019-01/H 2019-02}.
\textsuperscript{5} See PIH Notice 2001-41 (as subsequently amended by PIH Notices 2019-12 and 2016-02) and PIH Notice 2018-09 for more information.
\textsuperscript{6} For more information, see PIH Notice 2018-09, PIH Notice 2013-27, and the \textbf{PBV} and \textbf{TPV} Repositioning FAQs.
\textsuperscript{7} The four categories that trigger eligibility for an enhanced voucher are: (1) the prepayment of a mortgage that results in families residing in the project being eligible under section 223(f) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA), (2) the voluntary termination of the insurance contract that results in families residing in the project being eligible under 223(f) of LIHPRHA, (3) the termination of a project-based section 8 rental assistance contract that results in assisted families residing in the project being eligible under section 515(c) or section 524(d) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA), and (4) a transaction under which a project that receives or has received assistance under the Flexible Subsidy program is preserved as affordable housing, which results in families being eligible under section 201(p) of the Housing and Community Development Act of 1978 (HCDA).
Enhanced Vouchers may exceed the PHA’s ordinary payment standard used for its regular HCV program, allowing the payment standard to equal the gross rent, provided such rent is reasonable.\(^8\)

Enhanced Vouchers provide the tenant the right to remain in the unit after the conversion.

If the family moves from the unit, the voucher loses its enhanced feature and becomes a regular voucher.

This response provides an overview of enhanced vouchers, for more information see PIH Notice 2001-41, as subsequently amended by PIH Notices 2019-12 and 2016-02.

**Does TPV funding qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?**

- Funding fungibility may be applied to replacement TPV funds (including enhanced vouchers, set-aside TPVs, and regular TPVs funded as replacement TPVs) once the initial funding increment is renewed, but not during the initial funding increment. Replacement TPVs must be offered to the family impacted by the conversion action; however, under certain circumstances such replacement TPVs may initially be issued to a waiting list family (such as when a vacant unit is funded for a replacement TPV if occupied by an assisted family within the prior 24 months\(^9\), or when the impacted family is ineligible for the TPV). In such cases, the replacement TPV is considered a regular HCV and fungibility may be applied at any time.

- No MTW flexibilities may be applied to relocation TPVs because relocation TPVs may not be reissued, and the PHA will not receive renewal funding in the subsequent calendar year (CY), if the family’s participation in the HCV program ends for any reason.

**Do PHAs have the flexibility to operate TPVs in accordance with their Standard MTW Agreements or the MTW Operations Notice?**

- PHAs may only operate TPVs in accordance with their Standard MTW Agreements or the MTW Operations Notice to the extent that the MTW flexibility used does not infringe on the protections, as described below, applied to families impacted by the conversion. If the PHA’s MTW flexibilities do not infringe on such protections, PHAs may exercise such MTW flexibilities upon TPV award without any additional HUD approval. The following protections cannot be modified by the PHA’s MTW flexibilities:
  - The TPV must be offered to the family impacted by the conversion. Such families are considered special admissions to the HCV program and the MTW PHA’s waiting list preferences do not apply to these families. Income targeting requirements are also not applicable to TPVs issued to an impacted family.

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\(^8\) Rent reasonable requirements are found in regulation at 24 CFR 982.507. Rent reasonableness guidance may be found in the [Rent Reasonableness Chapter of the HCV Guidebook](https://www.hud.gov).  

\(^9\) See PIH Notice 2021-10 for more information concerning replacement TPV funding for vacant units.
The following applies to enhanced voucher families, including those assisted under the TPV set-aside:\(^\text{10}\)

- The enhanced voucher family may not be subject to termination by any term limits that are in effect for HCV families at the MTW PHA, because enhanced voucher families have a statutory right to remain in the unit until the family exits the program or moves out of the unit. If the enhanced voucher family moves out of the unit, the voucher loses its enhanced designation and any MTW term limits that apply to HCV families will also apply to the family.
- MTW PHAs must follow the enhanced voucher rent calculations. Specifically, the PHA must use a higher payment standard when the gross rent is reasonable and exceeds the normally applicable payment standard. Also, enhanced voucher families must not be required to pay more than the family rent to owner (higher of total tenant payment (TTP) or the enhanced voucher minimum rent)\(^\text{11}\). In determining the TTP for these purposes, the PHA may not apply its MTW flexibility and must instead use the definition of TTP in 24 CFR 5.628.\(^\text{12}\)

Families with TPVs funded under the set-aside as PBVs must not be required to pay more than the tenant rent (TTP-utility allowance). In determining the TTP for these purposes, the PHA may not apply its MTW flexibility and must instead use the definition of TTP in 24 CFR 5.628.

When should PHAs report TPVs in the HUD-50058 MTW versus the regular 50058?

- The PHA must begin reporting these families in the HUD-50058 MTW if the PHA applies any MTW flexibilities to these vouchers.

What are the reporting requirements for TPVs?

- TPVs (both replacement and relocation TPVs) are reported under the “Tenant Protection” field for as long as they are used by the impacted family. Replacement TPVs are reported in VMS under the “Moving to Work” field if the impacted family exits the program and the voucher is reissued to another family. If the replacement TPV is project-based in accordance with PBV requirements, then it must also be reported in the appropriate PBV fields. Relocation TPVs are no longer reported in VMS when the impacted family exits.

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\(^{10}\) For more information on set-aside TPVs, see [PIH Notice 2019-01/H 2019-02](#).

\(^{11}\) See PIH 2001-41, as subsequently amended by PIH 2019-12, for more information concerning the enhanced voucher minimum rent.

\(^{12}\) 24 CFR 5.628 defines TTP as the highest of the following amounts, rounded to the nearest dollar: (1) 30 percent of the family's monthly adjusted income; (2) 10 percent of the family's monthly income; (3) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of those payments which is so designated; or (4) The minimum rent, as determined in accordance with §5.630.
the HCV program. Additional information concerning VMS reporting may be found in
the VMS User’s Manual.

- Except for enhanced vouchers, TPVs are reported in the HUD-50058, the HUD-50058
  MTW, and the HUD-50058 MTW Expansion as a PHA would normally report an HCV
  (or a PBV if the replacement TPV is being project-based in accordance with PBV
  requirements). In the HUD-50058 and the HUD-50058 MTW Expansion, enhanced
  vouchers are reported in field 2m and the enhanced voucher minimum rent in field 9i.
  The HUD-50058 MTW does not have a specific place to note enhanced vouchers.
  Therefore, agencies can use one of the PHA use only lines, using the code EV (Enhanced
  Vouchers). Additional information concerning PIC/HUD-50058 reporting may be found
  in the following webpage: