

MTW and Special Purpose Vouchers Q&A (Updated April 2020)

What are Special Purpose Vouchers?

- Special Purpose Vouchers 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
 - Tenant Protection Vouchers (TPVs), including Enhanced Vouchers

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.

Do HUD-VASH Vouchers qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?

- HUD-VASH Vouchers are 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, 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?

- 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 initiation of request with good cause justification to its local Field Office. The request must identify the specific MTW activities the PHA wants to apply to HUD-VASH vouchers;

2. The Field Office submits the request with their recommendation to the Housing Voucher Management and Operations Division (HVMOD);
 3. The HVMOD recommends final determination and approvals are signed by the Office of Public and Indian Housing (PIH) 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.
 - In cases where MTW flexibilities conflict with HUD-VASH statute or NOFA requirements, the statute/NOFA requirements take precedence over the MTW flexibility.

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 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.

Do FUP Vouchers 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.

Are these vouchers available for re-issuance upon turnover?

- No, these vouchers are not available for re-issuance upon turnover. These vouchers “sunset” when the youth leaves the program.

Do FYI Vouchers 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.
- 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.

Do NED vouchers 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 Non-Elderly Disabled (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 Mainstream Vouchers is 2p in the HUD-50058 MTW line or 2n of the HUD-50058 MTW Expansion.

Tenant Protection Vouchers, including Enhanced Vouchers

What are Tenant Protection Vouchers (TPVs)?

- TPVs are provided to protect HUD-assisted families from hardship as the result of a variety of actions that occur in HUD's Public Housing (Low-Rent), the Multifamily Housing portfolios, and Moderate Rehabilitation properties. Under current HUD policy, TPVs may also be issued in connection to such actions for vacant units that have been occupied by a HUD-assisted family in the past 24 months. There is a subset of TPVs, provided as a result of specific actions described in the law (Section 8(t) of the U.S. Housing Act of 1937), in which a higher "enhanced" payment standard is used to determine the amount of housing assistance when the gross rent of the unit exceeds the PHA's payment standard. Enhanced Vouchers are not available for conversion actions that occur in HUD's Public Housing properties.

What is the purpose of Enhanced Vouchers?

- Enhanced Vouchers are a type of Tenant Protection voucher administered by the local public housing authorities to subsidize rents for tenants facing a Housing conversion action—owner opt-outs of Section 8 project-based contracts; owner prepayment of the mortgage or voluntary termination of the mortgage insurance of a preservation eligible property (preservation prepayments).
 - HUD is required by statute to offer Enhanced Vouchers to families impacted by a Housing conversion action under Section 8(t) of the United States Housing Act of 1937, as amended.
 - 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 in comparison to other similar, unassisted units on the private market.

- Enhanced Vouchers provide the tenant the right to remain in the unit after the conversion to market rents.
- If the family moves from the unit, the voucher loses its enhancement and becomes a regular voucher.
- Notices PIH 2001-41, 2008-12, 2011-20 provide additional detailed information.

What is the purpose of regular TPVs?

- Regular TPVs are regular tenant-based vouchers administered by the local public housing authorities used to subsidize rents for tenants facing a Housing conversion action or HUD enforcement actions against the owner not covered by Enhanced Vouchers—termination or non-renewal (by the Contract Administrator) of a Section 8 Project-based housing assistance payment contract, sale or foreclosure of a HUD-subsidized mortgage, or demolition/disposition of public housing under Section 18 of the United States Housing Act of 1937, as amended.
 - Regular TPVs do not have an enhanced payment standard and the tenant does not have the right to remain, for example, because in some circumstances the condition of the property does not comply with voucher HQS. Therefore, the tenant must move in order to continue receiving assistance (unless specifically provided in statute e.g., voluntary conversions).
 - Notice PIH 2001-41 provides additional detailed information.

What types of families qualify for Enhanced and regular TPVs?

- Enhanced and regular TPVs are targeted to specific families affected by a housing conversion action by HUD or owner action in HUD multifamily projects and public housing agencies in the case of public housing projects.
- The vouchers must be offered to specified families according to statute.

Do Enhanced and regular TPVs qualify for fungibility under the Standard MTW Agreement or the MTW Operations Notice?

- Funding fungibility may be applied to replacement TPV funds once the initial funding increment is renewed. No MTW flexibilities may be applied to relocation TPVs. However, there are restrictions on the MTW flexibilities that may be applied to the Enhanced and regular TPVs; see below.

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

- Agencies may only operate Enhanced and regular 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 applied to these families.

- For example, for regular TPVs, the assistance must be offered to the families targeted for assistance. They are considered special admissions to the program and the MTW PHA's waiting list preferences do not apply to these families.
- Examples of restrictions in applying MTW flexibilities to Enhanced Vouchers include: an MTW PHA may exercise flexibilities regarding rent, but for an Enhanced Voucher holder, these flexibilities must conform with the Enhanced Voucher minimum rent and Enhanced payment standard. As a further example, Enhanced Voucher recipients may not be subject to termination by any term limits that are in effect for HCV recipients at the MTW PHA, because Enhanced Voucher holders are statutorily permitted to stay in the unit until termination or the family moves out. Please note that the Enhanced Voucher protection status lasts until the family moves from the residence or is terminated from the program.
- Agencies may exercise flexibilities (that do not infringe on the protections applied to these families) upon award of the Enhanced Voucher or regular TPV. No additional approval is needed from Office of Public Housing and Voucher Programs to apply MTW flexibilities to these vouchers.

Can MTW fungibility apply to any remaining Enhanced and regular TPV funds after all families affected by housing conversion are provided assistance?

- All HCVs (Enhanced and non-enhanced) provided in connection with a housing conversion action are to be used first to assist the families targeted for assistance.
- Once all families impacted by the housing conversion action have been provided a voucher, any unused voucher funding may be used by the PHA to assist families on the PHA's waiting list; such vouchers are regular vouchers and do not have any enhanced features (see Notice PIH 2001-41). As they are regular vouchers, MTW Agencies can include these unused funds as part of their MTW Funding Flexibilities.

What are the operating Requirements for Enhanced and regular TPVs?

- There are no specific operating requirements.
- Policy and processing guidance are provided in Notices PIH 2001-41, 2008-12, 2011-20, and applicable statutes.

When should Agencies report Enhanced and regular TPVs in the HUD-50058 MTW versus the regular 50058?

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

What are the reporting requirements for Enhanced and regular TPVs?

- The HUD-50058 MTW, HUD-50058 MTW Expansion, and HUD-50058 have fields that enable tracking of special purpose vouchers (see below).
- VMS defines the different special purpose voucher categories so it is clear how to report expenditures under each of these programs.

What fields should agencies use to report Enhanced and regular TPVs into the HUD-50058, the HUD-50058 MTW, and the HUD-50058 MTW Expansion?

- On the HUD-50058 and the HUD-50058 MTW Expansion, Enhanced Vouchers should be reported in field 2m. There is no specific place to note regular TPVs. Therefore, agencies may choose to use one of the PHA use only fields (2q through 2u), using the code TPV.
- The HUD-50058 MTW does not have a specific place to note Enhanced or regular TPVs. Therefore, agencies can use one of the PHA use only lines, using the code EV (Enhanced Vouchers) or TPV (regular TPVs).

Is there a list of special purpose programs that can be entered into the HUD-50058 MTW?

- The MTW Technical Reference Guide (TRG) lists the special purpose programs that can be entered into the HUD-50058 MTW. The MTW TRG can be found on the MTW Tenant Reporting – IMS/PIC webpage here:
https://www.hud.gov/program_offices/public_indian_housing/systems/pic/mtw/trg.