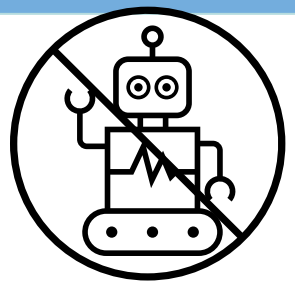
Housing Choice Vouchers (HCV) Made Simple: From Voucher Issuance to Leasing

Liz Stewart

July 14, 2026

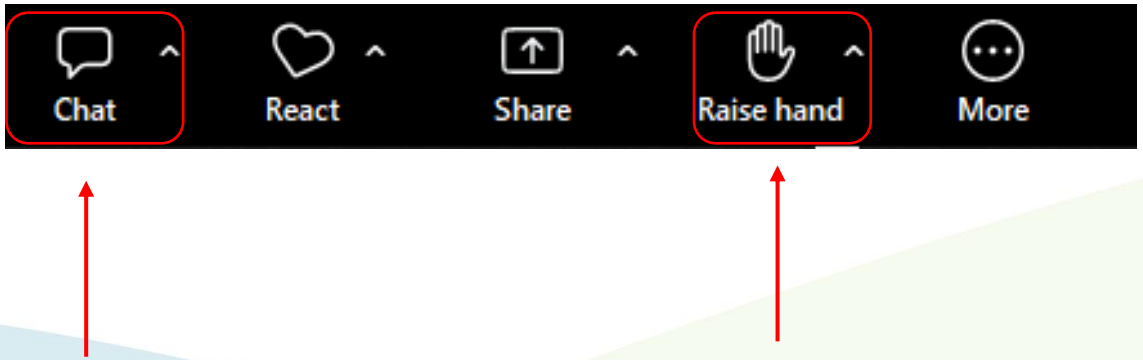


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Agenda

- Welcome & Introductions
- Voucher Issuance to Lease-Up
- Income & Rent Calculation
- Q&A

Introductions

Office of Mental Health Substance Abuse Services (OMHSAS)

- Christina Shull

Technical Assistance Collaborative (TAC):

- Liz Stewart
- Erin McKeon

Please introduce yourself in the chat:

- **Name**
- **Agency**
- **Title and Role**

HCV Made Simple Series

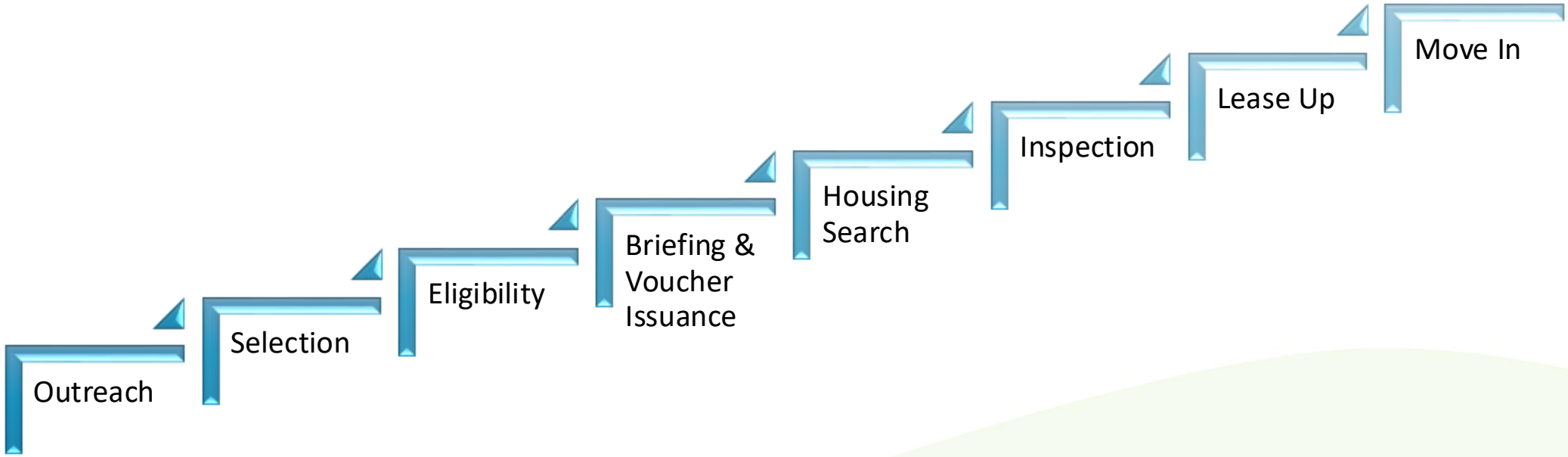
Session Name	Date/Time
Session 1: Foundations of the HCV Program	Tuesday, June 2, 2026 10:00-11:30 AM ET
Session 2: Access, Eligibility, and Reasonable Accommodations	Tuesday, June 16, 2026 10:00-11:30 AM ET
Session 3: From Voucher Issuance to Leasing	Tuesday July 14, 2026 10:00-11:30 AM ET
Session 4: Housing Retention and Cross-System Collaboration	Tuesday July 28, 2026 10:00-11:30 AM ET

Poll: HCV Rent Calculation

How familiar are you with how participant rent in the HCV program is calculated?

A. I don’t have any familiarity
B. I have limited familiarity
C. I know the basics
D. I’m fairly knowledgeable
E. I’m very knowledgeable / expert

Key Phases: Outreach to Move-in



Family Briefing (Oral and Written)

- Public Housing Authority (PHA) conducts an **oral briefing** with the family (individual or group).
- PHA provides a **written briefing packet** that covers:
  - ✓ How the HCV program works (roles, subsidy, process)
  - ✓ Family obligations and owner/landlord obligations
  - ✓ Where family may lease (including portability)
  - ✓ Term of voucher, how to search, how to submit proposed tenancy, etc.
- The briefing must inform the family of their rights (e.g., informal hearing rights if assistance is terminated) and fair housing obligations.

Briefings may be conducted via phone, video-teleconferencing, or through other virtual platforms.

Voucher Issuance

- Key details on the voucher (form HUD-52646):
  - Voucher size (#of bedrooms) based on subsidy standards
  - Date of issuance and expiration date (search term)
- The voucher sets the "search clock" — the period the family has to locate an eligible unit. The minimum initial term is **60 calendar days**.
  - Mainstream and HUD-VASH require a minimum of **120 days.**
  - PHA may establish a longer term as necessary based on local housing market conditions.

Voucher Extensions

- PHA can grant extensions of any length and number. - must explain its extension criteria/process in the admin plan.
- Persons with disabilities can request extensions as a reasonable accommodation- even after the voucher term expires.

Housing Search & Unit Selection

- Once voucher issued, family begins to **search for a unit.**
- Family submits a **Request for Tenancy Approval (RFTA)**. The PHA:
  - Reviews proposed lease (must conform with program rules)
  - Determines if unit's rent meets payment standard* and rent reasonableness requirements
  - Conducts unit inspection- Housing Quality Standards(HQS)/National Standards for the Physical Inspection of Real Estate (NSPIRE) and other requirements apply (i.e. carbon monoxide and smoke alarms, lead-based paint visual assessment standards)
- PHA approves the tenancy, family signs lease with owner, PHA and owner execute Housing Assistance Payments (HAP) contract.

NSPIRE Final Rule changing definition of HQS. HUD extended the NSPIRE-V compliance deadline from October 1, 2025, to February 1, 2027. Some PHAs may have already adopted NSPIRE.

KNOWLEDGE CHECK

- True or False: PHAs **may not** implement a longer initial voucher search term beyond the minimum requirements set by HUD.
- True or False: A family can request an extension to their voucher term for any reason at any time.

Income & Rent Calculation



HOTMA Implementation

- HUD released final rule covering sweeping changes contained in Sections 102 and 104 of The Housing Opportunity Through Modernization Act of 2016 (HOTMA) in February of 2023. These sections deal with the parts of HOTMA that impact how income, assets, and adjusted income are calculated, as well as how annual and interim recertifications are conducted.
- The deadline to comply with HOTMA changes for HCV has changed a few times. As it stands, there are certain provisions in HOTMA 102/104 that PHAs must comply with no later than July 1, 2025 and other provisions that are not required to be implemented yet.
- The remaining slides present information utilizing changes that will occur once HOTMA is fully implemented. Please note that PHAs may not have adopted all of these changes at this time- check directly with your PHA to understand which policies have been implemented in their program.

Calculating Annual Income

Income Includes:

- All amounts, not specifically excluded, received from all sources by each household member who is:
  - 18 years of age or older or
  - The head of household or spouse of the head of household (any age)
- Plus
  - Unearned income by or on behalf of each minor dependent
  - Actual income from assets
  - Imputed return on assets over $52,787*

* Adjusted annually for inflation

HOTMA INCOME ESTIMATION TOOL:

https://www.hudexchange.info/resource/6879/hotma-income-estimation-tool-and-directions

Income- Examples

Earned Income
(for members 18+)

- Wages, salaries, tips, or other payments.
- Business Income.
- Income from labor, seasonal work, or as an independent contractor.

Unearned Income
(for all members)

- Government benefits like Temporary Assistance for Needy Families (TANF), social security, or disability payments.
- Regular payments from pension or annuity.
- Child support payments.
- Income from assets, such as stocks, bonds, or other financial investments.

Income Exclusions

- Income from a one-time job (temporary employment).
- State or federal tax refunds, credits, or economic stimulus payments.
- Gifts for special occasions like holidays or birthdays.
- Donations like food, clothing, or toiletries from a food bank or similar organization.
- Certain payments that help people with disabilities live at home.
- Financial aid or money for school, including educational savings accounts.
- Earned income of dependent full-time students in excess of the amount of the dependent deduction.
- Payments related to care of foster children or foster adults.
- Income earned by children under the age of 18, including foster children.
- See HOTMA Income and Income Exclusions Resource Sheet

Knowledge Check

Which of these sources of income is excluded from annual income-check all that apply?

- Unearned income of household members under the age of 18
- Actual Income from Assets
- Income from a one-time job (temporary employment)
- Child Support Payments

Adjusted Income

- A family's adjusted income is the family income after any deductions.



  - Mandatory Deductions (at full HOTMA Implementation):
    - Dependents — $500* per dependent
    - Elderly and Disabled Families — $550* per family
    - Health and Medical Expenses
    - Child Care Expenses

*Adjusted annually for inflation and rounded to the next lowest multiple of $25.

Dependent Deduction

- Deduct $500 for each household member
  - Under 18 years of age, or
  - Attending school or vocational training on a full-time basis, or
  - 18 years of age or older and is a person with disabilities.
- Do not include the head of the household or his or her spouse.

Elderly or Disabled Deduction

- $550 deduction (one per household) if head of household, co-head or spouse are 62 years of age or older or disabled

Health and Medical Expenses Deduction

- Deduction is the sum of the following, to the extent it exceeds 10% of annual income:
  - Unreimbursed health and medical care expenses for elderly or disabled families.
  - Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family, including the person with a disability, to be employed.
- This deduction may not exceed the combined earned income of the adult family members who were able to work.

Example

- Total annual income: $20,000
- 10% of annual income: $2,000
- Qualifying expenses: $3,000

$3000- $2000 (10% threshold)= $1,000 deduction from annual income

Reasonable Childcare Expenses

- Reasonable child-care expenses are expenses for the care of children age 12 and younger, when :
  - The care is necessary to enable a family member to be employed or to further his or her education (e.g., work, look for work, or further their education (academic or vocational);
  - The expense is not reimbursed by an agency or individual outside the household; and
  - The expenses incurred to enable a family to work do not exceed the amount of employment income that is included in annual income.

Exercise: Calculating Annual Adjusted Income

Family Members	Relationship to Head of Household	Age	Income and Type	Full time student	Disability	Medical Expenses
Jules	Self	55	Work - $400 biweekly	No	Yes	
Dakota	Partner	52	SSDI - $1,525 monthly	No	Yes	Prescriptions $300/month

Calculate this household's adjusted income. Household only has a checking account with a current amount of $2025 that does not accrue interest.

Knowledge Check

- What is the household's annual income?
  - Jules (400*26) + Dakota (1525*12) = $28,700
- Is the household eligible for deductions? If so, how much?
  - The Household (HH) qualifies for the elderly or disabled family member deduction of $550
  - The HH has medical expenses that exceed 10% of their annual income so are eligible for Health and Medical Expenses Deduction.
    - 10% of HH's annual income = $2870
    - Total Annual medical Expenses: $3600 ($300x12)
    - Health & Medical Expense deduction = $3600 - $2870= $730
  - **Total amount of deductions = $730 + $550 = $1280**
- **What is the household's adjusted income?**
  - 28,700 – $1280 = **$27,420**

Calculating the Total Tenant Payment

- The maximum subsidy the PHA can pay equals the payment standard minus the Total Tenant Payment (TTP)
- Total Tenant Payment is the highest of the following:
  - 30% of monthly adjusted income
  - 10% of monthly income
  - Welfare rent (in as-is states only)
  - PHA minimum rent



Calculating TTP: Jules & Dakota

- Annual Income: **$28,700.** Monthly Income: **$2391**
- Annual Adjusted Income: **$ 27,420.** Monthly Adjusted Income: **$2285**
- **TTP Higher of:**
  - 30% of monthly adjusted income= $2285 * .30= **$685.50**
  - 10% of monthly income= $2391 * .10= **$239**
  - Welfare rent (in as-is states only)- N/A
  - PHA minimum rent: $0
- **TTP is $686**

Maximum Rent Burden at Initial Occupancy

- Maximum rent burden at initial occupancy is also referred to as the maximum family share or “the 40 percent rule.”
  - If gross rent (rent + utilities) exceeds the PHA’s payment standard, the family may still lease the unit as long as their required portion does not exceed 40% of adjusted monthly income.
- Calculating maximum rent burden at initial occupancy
  - 30% of monthly adjusted income $ 2285 x .30 = $686
  - 40% of monthly adjusted income $ 2285 x .40 = $914
  - Maximum initial rent burden = $914

Maximum Subsidy

- The maximum subsidy the PHA can pay is the payment standard minus the Total Tenant Payment (TTP)
  - Payment Standard = $1,800
  - Total Tenant Payment (TTP) = $686
  - Maximum subsidy = (the Payment Standard minus the Total Tenant Payment) =$1,114

Maximum Gross Rent

- The gross rent is the entire housing cost which includes the rent to the landlord and the utility allowance for the unit.
- If the utilities are included in the rent, the rent to the landlord and the gross rent will be the same.

Payment Type	Amount
Total Tenant Payment (TTP)	$686
Maximum initial rent burden	$914 (40% of monthly adjusted income)
Payment standard	$1,800
Maximum subsidy	$1,114
TTP when the gross rent (rent +utilities) at or below the payment standard	$686
TTP when the gross rent (rent + utilities) is higher than the payment standard	Between $686 and $914 (max initial rent burden)
Maximum gross rent for selected unit	$2,028. The maximum gross rent is the maximum initial rent burden of $914 plus the maximum subsidy the PHA can pay of $1,114.

Impact of Unit Size Selection

- A household can select a larger or smaller unit size than listed on their voucher.
- If they do, the PHA must use the payment standard and utility allowance for the smaller of the household unit size listed on the voucher or the unit size selected by the household.

HAP, Family Rent Share, & Family Rent to Owner

- Housing Assistance Payment (HAP)- the lower of:
  - The payment standard for the family minus the TTP, or
  - The gross rent minus the TTP
- Family Rent Share: The portion of the rent and utilities paid by the family
- Family Rent to Owner: The portion of the rent to owner paid by the family.

HAP & Family Rent to Owner: Example

Jules & Dakota find a 1-bedroom apartment that includes all utilities. The rent for the apartment is $1,675.

- Payment Standard: $1,800
- Gross Rent: $1,675 (Rent to Owner plus Utility Allowance which is $0)
- TTP: $686.
- HAP: $1,675-686= 989
- Family share = $686
- Less utility allowance - $0
- Family rent to owner = $686

HAP & Family Rent Share: Example 2

Jules & Dakota find a 1-bedroom apartment where they are responsible for electricity. The rent for the apartment is $1,660 and the utility allowance is $75.

- Payment Standard: $1,800
- Gross Rent: $1,735 (Rent to Owner ($1,660) plus Utility Allowance ($75)
- TTP: $686.
- HAP: $1,735-$686= $1,049
- Family share = $686
- Less utility allowance - $75
- Family rent to owner = $611

HCV Resources

- HCV Guidebook
- HCV Landlord Resources
- HCV Tenant Resources
- HCV Dashboard

Questions and Discussion

