THE DISTRICT OF COLUMBIA HOUSING AUTHORITY

PROPOSED AMENDMENTS TO THE ADMISSIONS AND CONTINUED OCCUPANCY PLAN

Chapter 62, ELIGIBILITY, is amended as follows:
Section 6201, DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS, is amended as follows:

Subsection 6201.26 is amended as follows:

6201.26 A "minor" is a member of the family household other than the family head or spouse, who is under eighteen (18) years of age. However, minors who are emancipated under state law may be designated as a cohead.

Section 6202, BASIC ELIGIBILITY CRITERIA, is amended as follows:

A new subsection 6202.37 is added to read as follows:

6202.37 Upon the effective date determined by HUD for MTW agencies, families must meet asset and real property ownership restriction requirements at the time of admission. Families will be ineligible to receive assistance if:

(a) The family's net assets exceed the HUD-published asset limitation amount (adjusted annually by HUD); and/or

(b) The family has real property that is suitable for occupancy by the family as a residence and the family has:

i. A present ownership interest in the real property;

ii. A legal right to reside in the real property; and

iii. The effective legal authority to sell (based on state, District, or local laws of the jurisdiction where the property is located) the real property.

A new subsection 6202.38 is added to read as follows:

6202.38 The "real property" restriction does not apply to:

(a) Any property for which the family is receiving assistance for a manufactured home under 24 CFR 982.620 or under the HCV Homeownership program;

(b) Any property that is jointly owned by a member of the family and at least one non-household member who does not live with the family, if the non-household member resides at the jointly owned property;

(c) Any family that is offering the property for sale; or

(d) Any person who is a victim of domestic violence, dating violence, sexual assault, and/or stalking.

(When a family asks for an exception because a family member is a victim of domestic violence, dating violence, sexual assault, or stalking, DCHA will comply with all the confidentiality requirements under VAWA. DCHA will accept a self-certification from the family member, and the restrictions on requesting documentation under VAWA apply.)

A new subsection 6202.39 is added to read as follows:

6202.39 A property is not considered "suitable for occupancy" unless the family demonstrates that it:

(a) Does not meet the disability-related needs for all family members;

(b) Is not sufficient for the size of the family based on the subsidy standards noted in §5301;

(c) Is geographically located so as to be a hardship for the family (e.g., there is DCHA's sole determination an unreasonable distance between the real property and a family member's work, school, health care provider, or other necessary service)

(d) Is not safe to reside in because of the physical condition of the property; and/or

(e) Is not a property that a family may reside in under the state, District, or local laws of the jurisdiction where the property is located.

A new subsection 6202.40 is added to read as follows:

6202.40 The value of any real property that meets at least one exception under § 6202.39 will be included in the family's assets unless it is specifically excluded by HUD.

Section 6203, DENIAL OF ADMISSION, is amended as follows:

Subsection 6203.5(i) is amended to read as follows.

6203.5 (i) Does not meet the asset restriction requirements under § 6202.37

Subsection 6203.5(j) is amended to read as follows:

6203.5 (j) In making its decision to deny admission, where allowable by HUD, DCHA shall consider the factors discussed in § 6203.13. Upon consideration of such factors, DCHA may, on a case-by-case basis, decide not to deny admissions; and

New subsection 6203.5(k) is added to read as follows:

6203.5 (k) DCHA shall consider the existence of mitigating factors, such as loss of employment or other financial difficulties, before denying admission to an applicant based on the failure to meet prior financial obligations.

Chapter 63, APPLICATIONS, WAITING LIST, AND TENANT SELECTION, is amended as follows:

Section 6302, THE APPLICATION PROCESS, is amended as follows:

Subsection 6302.3 is amended to read as follows:

6302.3 As of the effective date of the ACOP, as amended, DCHA shall commence the process of transitioning of the remaining applicants on the community-wide waitlist for public housing to the DCHA site-based waiting lists. DCHA will no longer maintain one community-wide waitlist for public housing applicants once DCHA changes to site-based waiting lists.

Subsection 6302.4 is amended to read as follows:

6302.4 DCHA will manage and maintain site-based waiting lists; applicants can apply for up to five (5) sites/properties of their choice. Persons on the community-wide waiting list at the time of change to site-based waiting lists will be given the first opportunity to select which site-based waiting lists to join prior to opening the lists to the public.

Section 6303, TENANT SELECTION, is amended as follows:

6303.7 is amended to read as follows:

6303.7 DCHA has already established a local elderly preference for certain site-based waiting lists and may establish a local limited elderly family preference to be used in conjunction with a returning former resident of the site. The established local elderly preference sites include, but are limited to, Edgewood Senior, Triangle View, Victory Square, Kenilworth 166 and The Asberry (Barry Farm Phase 1B) communities. Notwithstanding anything to the contrary in this ACOP, the definition of "elderly person" to be used at Kenilworth 166 and The Asberry (Barry Farm Phase 1B) sites shall be, under DCHA's approved MTW policy, a person who

is at least fifty-five (55) years of age and an "elderly family" shall be a family in which the head of household, co-head of household, or spouse is an elderly person.

(a) If there are not enough elderly families to occupy the units at these sites, DCHA may allow near-elderly families to occupy the units. Near-elderly family means a family whose head, spouse, or co-head is at least fifty (50) years old, but is less than fifty-five (55) years old.

(b) If there are an insufficient number of elderly families and near-elderly families for the units in a development designated for elderly families, DCHA must make available to all other families any unit that is ready for re-rental and has been vacant for more than sixty (60) consecutive days.

Subsection 6303.9 is amended to read as follows:

6303.9 DCHA has established a limited local preference for families, including single member households, referred by the District's Coordinated Assessment and Housing Placement (CAHP) process as follows:

(a) The CAHP Administrator will ensure that referrals are assessed to need no ongoing services to sustain their housing successfully or have the opportunity through CAHP to reconnect with the appropriate level of services deemed necessary to be successful in housing.

(b) The limited local preference will apply to up to fifty percent (50%) of the vacant, ready to rent, studio/0-bedroom units at DCHA public housing sites. At DCHA's sole discretion, and subject to availability, the preference may extend to additional bedroom sizes at public housing sites. In such case, DCHA will notify the partner agencies that it will accept referrals for additional bedroom sizes.

(c) DCHA will accept applications under this limited local preference continuously until reaching the established limit identified in subsection (b), regardless of whether the waiting list is closed to other applicants.

(d) DCHA and one or more partner agencies will enter into Memoranda of Agreement or Understanding to document roles and responsibilities with respect to referrals and applications for this limited local preference.

(e) Notwithstanding subsection (a)-(d) above, applicants who meet the criteria for this limited local preference shall be evaluated for eligibility for the Public Housing Program under the standard rules and regulations of the Public Housing Program.

(f) Applications for this preference will only be received through the Coordinated Assessment and Housing Placement (CAHP) process; families may not apply directly to DCHA for housing pursuant to this

preference.

(g) If a family is on DCHA's public housing waiting list and separately is referred by a partner agency pursuant to this section, the family will be removed from the waiting list if and when they are housed pursuant to the preference.

(h) This preference will terminate at the earliest to occur of the following (a) fifty percent (50%) of the vacant, ready to rent studio/0-bedroom units have been leased by eligible referrals using this preference or (b) September 30, 2027, unless the DCHA Board extends the date in (b).

Subsection 6303.10 is amended to read as follows:

6303.10 HUD requires that extremely low-income families make up at least forty (40) percent of the families admitted to public housing during DCHA's fiscal year. Extremely low-income families are those with annual incomes at or below the federal poverty level or thirty percent (30%) of the area median income, whichever number is higher. To ensure this requirement is met, DCHA may skip non-extremely low-income families on the waiting list in order to select an extremely low-income family.

Subsection 6303.11 is amended to read as follows:

6303.11 Admissions of extremely low-income families to the DCHA's HCV program during a DCHA fiscal year that exceed the seventy-five percent (75%) minimum target requirement for the voucher program, shall be credited against the DCHA's basic targeting requirement in the public housing program for the same fiscal year. However, under these circumstances the fiscal year credit to the public housing program must not exceed the lower of:

(a) Ten percent (10%) of public housing waiting list admissions during the DCHA fiscal year;

(b) Ten percent (10%) of waiting list admissions to DCHA's HCV program during the DCHA fiscal year; or

(c) The number of qualifying low-income families who commence occupancy during the DCHA fiscal year public housing units located in census tracts with a poverty rate of thirty percent (30%) or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.

Subsection 6303.12 is amended to read as follows:

6303.12 DCHA shall monitor progress in meeting the extremely low income family requirement throughout the fiscal year. Extremely low income families shall be

selected ahead of other eligible families on an as-needed basis to ensure that the income targeting requirement is met.

Subsection 6303.13 is amended to read as follows:

6303.13 [RESERVED]

Subsection 6303.14 is amended to read as follows:

6303.14 DCHA has received approval from HUD to establish a local definition of elderly. Accordingly, an elderly family means a family whose head, spouse, co-head, or sole member is a person who is at least fifty-five (55) years of age. Disabled family means a family whose head, spouse, co-head, or sole member is a person with disabilities.

Subsection 6303.15 is amended to read as follows:

6303.15 [RESERVED]

Subsection 6303.16 is amended to read as follows:

6303.16 [RESERVED]

Subsection 6303.17 is amended to read as follows:

6303.17 DCHA may not discriminate against elderly or disabled families that include children in accordance with the Fair Housing Amendments Act of 1988 and other applicable law.

Subsection 6303.18 is amended to read as follows:

6303.18 DCHA may designate projects or portions of a public housing project specifically for elderly or disabled families. DCHA must have a HUD-approved designated housing plan before the designation may take place.

Subsection 6303.19 is amended to read as follows:

6303.19 Among the designated developments, DCHA must also apply any preferences that it has established. If there are not enough elderly families to occupy the units in a designated elderly development, DCHA may allow near-elderly families to occupy the units. Near-elderly family means a family whose head, spouse, or co-head is at least fifty (50) years old, but is less than fifty-five (55) years old.

Subsection 6303.20 is amended to read as follows:

6303.20 If there are an insufficient number of elderly families and near-elderly families for the units in a development designated for elderly families, DCHA must make

available to all other families any unit that is ready for re-rental and has been vacant for more than sixty (60) consecutive days.

Subsection 6303.21 is amended to read as follows:

6303.21 The decision of any disabled family or elderly family not to occupy or accept occupancy in designated housing shall not have an adverse effect on their admission or continued occupancy in public housing or their position on or placement on the waiting list. However, this protection does not apply to any family who refuses to occupy or accept occupancy in designated housing because of the race, color, religion, sex, disability, familial status, or national origin of the occupants of the designated housing or the surrounding area.

Subsection 6303.22 is amended to read as follows:

6303.22 The protection discussed in § 6303.18 does apply to an elderly family or disabled family that declines to accept occupancy, respectively, in a designated project for elderly families or for disabled families, and requests occupancy in a general occupancy project or in a mixed population project.

Subsection 6303.23 is amended to read as follows:

6303.23 [RESERVED]

Subsection 6303.24 is amended to read as follows:

6303.24 DCHA's admission policy must be designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. A statement of the DCHA's deconcentration policies must be included in its MTW plan.

Subsection 6303.25 is amended to read as follows:

6303.25 DCHA's deconcentration policy must comply with its obligation to meet the income targeting requirement.

Subsection 6303.26 is amended to read as follows:

6303.26 Developments subject to the deconcentration requirement are referred to as "covered developments" and include general occupancy (family) public housing developments. The following developments are not subject to deconcentration and income mixing requirements:

(a) Developments operated by DCHA with fewer than one hundred (100) public housing units;

(b) Mixed population or developments designated specifically for elderly or disabled families;

(c) Developments operated by DCHA with only one general occupancy development;

(d) Developments approved for demolition or for conversion to tenant-based public housing; and

(e) Developments approved for a mixed-finance plan using HOPE VI or public housing funds.

Subsection 6303.27 is amended to read as follows:

6303.27 To implement the statutory requirement to deconcentrate poverty and provide for income mixing in covered developments, DCHA must comply in order with the following steps:

(a) DCHA will determine the average income of all families residing in all DCHA covered developments.

(b) DCHA will determine the average income of all families in all covered developments on an annual basis.

(c) DCHA will determine the average income (or median income, if median income was used in § 6303.26(b)) of all families residing in each covered development.

(d) In determining average income for each development, DCHA may adjust its income analysis for unit size.

(e) DCHA will determine the average income of all families residing in each covered development (not adjusting for unit size) on an annual basis.

(f) DCHA will then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from eighty-five to one hundred fifteen percent (85% to 115%) of the average family income determined in § 6303.24(a) or (b). However, the upper limit must never be less than the income at which a family would be defined as an extremely low-income family (federal poverty level or thirty percent (30%) of median income, whichever number is higher);

(g) If covered developments have average incomes outside the EIR, DCHA will then determine whether or not these developments are consistent with its local goals and annual plan; and

(h) If the income profile for a covered development is not explained or justified in the annual plan submission, DCHA will include in its admission policy its specific policy to provide for deconcentration of poverty and income mixing.

Subsection 6303.28 is amended to read as follows:

6303.28 DCHA's deconcentration policy may include, but is not limited to the following:

(a) Providing incentives to encourage families to accept units in developments where their income level is needed, including rent incentives, affirmative marketing plans, or added amenities;

(b) Targeting investment and capital improvements toward developments with an average income below the EIR to encourage families with incomes above the EIR to accept units in those developments;

(c) Establishing a preference for admission of working families in developments below the EIR;

(d) Skipping a family on the waiting list to reach another family in an effort to further the goals of deconcentration; and

(e) Providing other strategies permitted by statute and determined by DCHA in consultation with the residents and the community through the annual plan process to be responsive to local needs and DCHA strategic objectives.

Subsection 6303.29 is amended to read as follows:

6303.29 For developments outside the EIR, DCHA shall take the following actions to provide for deconcentration of poverty and income mixing:

(a) Continue employment and self-sufficiency efforts for residents living in public housing to increase family's income;

(b) Utilize local preferences (if any) and income targeting to admit families whose income exceed thirty percent (30%) of the area median income (AMI); and

(c) Select ELI families ahead of other eligible families on an as-needed basis to ensure the income-targeting requirement is met.

Subsection 6303.30 is amended to read as follows:

6303.30 A family has the sole discretion whether to accept an offer of a unit made under the DCHA's deconcentration policy. DCHA must not take any adverse action toward

any eligible family for choosing not to accept an offer of a unit under the DCHA's deconcentration policy.

Subsection 6303.31 is amended to read as follows:

6303.31 If, at annual review, the average incomes at all general occupancy developments are within the EIR, DCHA will be considered to be in compliance with the deconcentration requirement and no further action is required.

Subsection 6303.32 is amended to read as follows:

6303.32 [RESERVED]

Subsection 6303.33 is amended to read as follows:

6303.33 Families will be selected from the waiting list based on the waiting list position assigned by random selection method (if the waiting list was opened for a finite period) or by date and time of application (if the waiting list is open continuously). When selecting applicants from the waiting list, DCHA shall match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists. DCHA shall offer the unit to the applicant who qualifies for that unit size or type, or that requires the accessibility features based upon date and time of the application:

(a) By matching unit and family characteristics, it is possible that families who are lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application; and

(b) Factors such as deconcentration or income mixing, and income targeting shall also be considered in accordance with HUD requirements and DCHA policy.

Subsection 6303.34 is amended to read as follows:

6303.34 DCHA shall notify the family in writing when they are selected from the waiting list. DCHA may contact the family by first-class mail, email, and/or phone.

Subsection 6303.35 is amended to read as follows:

6303.35 The notice shall inform the family of the following:

(a) Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview;

(b) Who is required to attend the interview;

(c) Documents that must be provided at the interview to document the legal

identity of household members, including information about what constitutes acceptable documentation;

(d) Documents that must be provided at the interview to document eligibility for a preference, if applicable; and

(e) Other documents and information that should be brought to the interview.

Subsection 6303.36 is amended to read as follows:

6303.36 If a notification letter is returned to DCHA with no forwarding address, the family shall be removed from the waiting list without further notice.

Subsection 6303.37 is amended to read as follows:

6303.37 The failure of the applicant to respond to the DCHA notice sent pursuant to § 6303.33 prevents DCHA from making an eligibility determination; therefore, no informal hearing shall be offered.

Subsection 6303.38 is amended to read as follows:

6303.38 Being invited to attend an interview does not constitute admission to the program.

Subsection 6303.39 is amended to read as follows:

6303.39 Families selected from the waiting list are required to participate in an eligibility interview.

(a) All adult members of the household must attend the eligibility appointment;

(b) The interview shall be conducted only if the head of household or spouse or co-head provides appropriate documentation of legal identity. If the family representative does not provide the required documentation, the appointment may be rescheduled when the proper documents have been obtained;

(c) Pending disclosure and documentation of social security numbers, DCHA shall allow the family to retain its place on the waiting list for thirty **(**30) calendar days. If not, all household members have disclosed their SSNs at the next time a unit becomes available, DCHA shall offer a unit to the next eligible applicant family on the waiting list;

(d) The family must provide the information necessary to establish the family's eligibility, including suitability, and to determine the appropriate amount of rent the family shall pay. The family must also complete required forms, provide required signatures, and submit required documentation. If any materials are missing, DCHA shall provide the family with a written list of

items that must be submitted;

(e) Any required documents or information that the family is unable to provide at the interview must be provided within ten (10) business days of the interview. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family shall be sent a notice of denial;

(f) DCHA will permit the family to have an advocate, interpreter, or other assistant assist the family with the application and the interview process;

(g) Interviews shall be conducted in English. For LEP applicants, DCHA shall provide translation and interpretation services in accordance with § 6104, and as necessary, may reschedule the interview to accommodate the provision of such services; and

(h) If the family is unable to attend a scheduled interview, the family should contact DCHA in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, DCHA shall send another notification letter with a new interview appointment time. Applicants who fail to attend two (2) scheduled interviews without DCHA approval shall be removed from the waiting list. The second appointment letter shall state that failure to appear for the appointment without a request to reschedule shall be interpreted to mean that the family is no longer interested. Such failure to act on the part of the applicant prevents DCHA from making an eligibility determination, therefore DCHA shall not offer an informal hearing.

Subsection 6303.40 is amended to read as follows:

6303.40 [RESERVED]

Subsection 6303.41 is amended to read as follows:

6303.41 DCHA shall notify a family in writing of their eligibility within ten (10) business days of the determination and shall provide the approximate date of occupancy insofar as that date can be reasonably determined.

Subsection 6303.42 is amended to read as follows:

6303.42 DCHA shall expedite the administrative process for determining eligibility to the extent possible for applicants who are admitted to the public housing program as a result of an emergency transfer from another DCHA program.

Subsection 6303.43 is amended to read as follows:

6303.43 At final determination of eligibility, as applicants are pulled from the waiting lists and forwarded for lease-up, DCHA extended the length of time to one hundred eighty (180) days that the verified application data is deemed valid per its approved MTW policy.

Subsection 6303.44 is amended to read as follows:

6303.44 DCHA determines that the family is ineligible, DCHA shall send written notification of the ineligibility determination within ten (10) business days of the determination. The notice shall specify the reasons for ineligibility and shall inform the family of its right to request an informal hearing.

Subsection 6303.45 is amended to read as follows:

6303.45 If DCHA uses a criminal record or sex offender registration information obtained under 24 CFR Part 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before DCHA can move to deny the application.

Subsection 6303.46 is amended to read as follows:

6303.46 DCHA must provide the family a notice of VAWA rights (form HUD-5380) as well as the HUD VAWA self-certification form (form HUD-5382) in accordance with VAWA, at the time the applicant is provided assistance or at the time the applicant is denied assistance. This notice must be provided in both of the following instances:

(a) When a family actually begins receiving assistance (lease execution); or

(b) When a family is notified of its ineligibility.

Chapter 64, OCCUPANCY STANDARDS AND UNIT OFFERS, is amended as follows:

Section 6400, INTRODUCTION, is amended as follows:

Subsection 6400.1 is amended to read as follows:

6400.1 This chapter contains policies for assigning unit size and making unit offers. DCHA's waiting list and selection policies are contained in Chapter 63. Together, Chapters 63 and 64 of the ACOP comprise DCHA's Tenant Selection and Assignment Plan (TSAP).

Subsection 6400.2 is amended to read as follows:

6400.2 Policies in this chapter are organized in two sections:

(a) Occupancy Standards. Section 6401 contains DCHA's standards for determining the appropriate unit size for families of different sizes, compositions, and types; and

(b) Unit Offers. Section 6402 contains DCHA's policies for making unit offers, and describes actions to be taken when unit offers are refused.

Section 6401, OCCUPANCY STANDARDS, is amended as follows:

Subsection 6401.7 is amended to read as follows:

6401.7 The following requirements apply when DCHA determines unit size for the family:

(a) Children related to a household member by birth, adoption, or court awarded custody will be considered when determining unit size;

(b) Foster children will be considered when determining unit size. The family may add foster children to the household as long as it does not overcrowd the unit based on DCHA's occupancy standards;

(c) Children away at school, but for whom the unit is considered the primary residence, and children temporarily placed outside the home, will be considered when determining unit size;

(d) Children in the process of being adopted will be considered when determining unit size; and

(e) Children who will live in the unit less than fifty percent (50%) of the time will not be considered when determining unit size.

Subsection 6401.8 is amended to read as follows:

6401.8 Generally, DCHA shall assign one (1) bedroom for each two (2) persons within the household, regardless of age, sex, relationship, or marital status, except in the following circumstances:

(a) Live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family;

(b) Single person families will be allocated a zero (0) or one (1) bedroom;

(c) DCHA shall reference the following standards in determining the appropriate unit bedroom size for a family:

BEDROOM SIZE	MINIMUM NUMBER OF PERSONS	MAXIMUM NUMBER OF PERSONS
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	6	10
6	8	12

Subsection 6402.5 is amended to read as follows:

6402.5 DCHA shall offer two (2) units within the development(s) selected by the applicant. If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy. DCHA will offer a studio apartment to a one-person household if available and ready for occupancy at the time of unit offer. If a one-person applicant household refuses an offer of a studio apartment solely due to the size of the unit, DCHA will not consider the unit offer refusal to be for good cause (unless the applicant is approved for a reasonable accommodation for a larger unit).

Chapter 65, INCOME AND RENT DETERMINATIONS, is amended as follows:

Section 6502, DETERMINING ANNUAL INCOME, is amended as follows:

Subsection 6502.11 is amended to read as follows:

6502.11 HOTMA removed the statutory authority for the Earned Income Disallowance (EID). The EID ended as of December 31, 2025.

Subsection 6502.12 is amended to read as follows:

6502.12 [RESERVED]

Subsection 6502.13 is amended to read as follows:

6502.13 [RESERVED]

Subsection 6502.15 is amended to read as follows:

6502.15 If a business entity (e.g., limited liability company or limited partnership) owns an asset, then the family's asset is their ownership stake in the business, not some portion of the business's assets. However, if the family holds the assets in their own

name (e.g., they own one-third of a restaurant) rather than in the name of a business entity, then the percentage value of the asset owned by the family is what is counted toward the market value of family assets.

Section 6503, DETERMINING ASSET INCOME, is amended as follows

Subsection 6503.14 is amended to read as follows:

6503.14 If the family demonstrates that they can only access a portion of an asset, then only that portion's value is included in the calculation of the market value of family assets for the family.

Section 6504, ANNUAL INCOME EXCLUSIONS, is amended as follows:

Subsection 6504.3(a) is amended to read as follows:

6504.3 (a) For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of family assets under 24 CFR § 5.603(b):

(1) Distributions of the principal or corpus of the trust; and

(2) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

Subsection 6504.26(g) is amended to read as follows:

(g) Lump-sum additions to family assets, including but not limited to lottery or other contest winnings.

Section 6505, ADJUSTED INCOME, is amended as follows:

Subsection 6505.8 is amended to read as follows:

6505.8 Unreimbursed health and medical care expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed ten percent (10%) of annual income.

Subsection 6505.13(c) is amended to read as follows:

(c) In combination with any medical expenses, exceed ten percent (10%) of annual income; and

Subsection 6505.24 is amended to read as follows:

6505.24 Upon implementation of the increase in the threshold for unreimbursed health and

medical care expenses and/or disability assistance expenses, families will have phase-in relief if they qualify.

(a) A family will be considered a "qualifying family" for phased-in relief if at their last reexamination prior to implementation of this provision:

(i) The family received a deduction for unreimbursed health and medical care and/or reasonable attendant car or auxiliary apparatus expenses; and

(ii) The family's expenses exceeded five (5) percent of the family's annual income.

(b) For qualifying families:

(i) At the family's first regular recertification on/after implementation, DCHA will deduct unreimbursed health and medical care expenses and/or disability assistance expenses that exceed five (5) percent of the family's annual income and switch the family to annual recertifications;

(ii) Twelve (12) months after the family's first regular recertification on/after implementation, DCHA will deduct unreimbursed health and medical care expenses and/or disability assistance expenses that exceed 7.5 percent of the family's annual income;

(iii) Twenty-four months after the family's first regular recertification on/after implementation, DCHA will deduct unreimbursed health and medical care expenses and/or disability assistance expenses that exceed ten percent (10%) percent of the family's annual income

(c) Upon implementation of the new ten percent (10%) threshold families will not qualify for phased-in relief if:

(i) They are new admissions to the HCV program;

(ii) They are current participants whose unreimbursed health and medical care expenses and/or disability assistance expenses did not exceed five percent (5%) of their annual income; or

(iii) They are current participants who had no unreimbursed health and medical care expenses and/or disability assistance expenses at their last reexamination prior to implementation.

(d) Upon implementation, any family may request an interim to account for any increase in unreimbursed health and medical care expenses and/or disability assistance expenses.

Subsection 6505.25 is amended to read as follows:

6505.25 "Child-care expenses" are defined as amounts anticipated to be paid by the family for the care of children under thirteen (13) years of age where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further their education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child-care. In the case of child-care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Subsection 6505.26 is amended to read as follows:

6505.26 Child-care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household. However, child-care expenses for foster children that are living in the assisted family's household are included when determining the family's child-care expenses.

Subsection 6505.27 is amended to read as follows:

6505.27 The family must identify the family member(s) enabled to work, seek work or further their education.

Subsection 6505.28 is amended to read as follows:

6505.28 In evaluating the family's request, DCHA shall consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Subsection 6505.29 is amended to read as follows:

6505.29 If the child-care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination.

Subsection 6505.30 is amended to read as follows:

6505.30 If the child-care expense being claimed is to enable a family member to further their education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

Subsection 6505.31 is amended to read as follows:

6505.31 If the child-care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child-care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Subsection 6505.32 is amended to read as follows:

6505.32 When a family member looks for work or furthers their education, there is no cap on the amount that may be deducted for child-care – although the care must still be necessary and reasonable.

Subsection 6505.33 is amended to read as follows:

6505.33 The earned income used for this purpose is the amount of earned income verified after any income exclusions are applied.

Subsection 6505.34 is amended to read as follows:

6505.34 DCHA must not limit the deduction to the least expensive type of child-care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working.

Subsection 6505.35 is amended to read as follows:

6505.35 The type of care to be provided is determined by the tenant family. The DCHA may not refuse to give a family the child-care expense deduction because there is an adult family member in the household that may be available to provide child-care.

Subsection 6505.36 is amended to read as follows:

6505.36 For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child-care.

Subsection 6505.37 is amended to read as follows:

6505.37 The costs of general housekeeping and personal services are not eligible. Likewise, child-care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child-care to relatives who do not live in the unit are eligible; and

A new subsection 6505.38 is added to read as follows:

6505.38 If a child-care provider also renders other services to a family or child-care is used to enable a family member to conduct activities that are not eligible for

consideration, DCHA shall prorate the costs and allow only that portion of the expenses that is attributable to child-care for eligible activities. Unless otherwise specified by the child-care provider, the calculation is based upon the number of hours spent in each activity and/or the number of persons under care.

A new subsection 6505.39 is added to read as follows:

6505.39 A family whose eligibility for the child-care expense deduction is ending may receive a hardship exemption to continue receiving a child-care expense deduction when the family no longer has a member that is working, looking for work, or seeking to further their education, and the deduction is necessary because the family is unable to pay their rent.

(a) A family will be determined by DCHA to be "unable to pay their rent" in such circumstances when the family's total unreimbursed child care expenses are at least Two Thousand Dollars ($2,000) per year and the family owes no balance to DCHA.

(b) Relief for an approved hardship exemption includes a continuation of the child care exemption for a period of up to ninety (90) days. DCHA, at its sole discretion, may extend the hardship exemption for one additional 90-day period based on family circumstances.

Section 6506, CALCULATING RENT, is amended as follows:

Subsection 6506.2(d) is amended to read as follows:

(d) The minimum rent of Fifty Dollars ($50).

Subsection 6506.5 is amended to read as follows:

6506.5 The minimum rent for the District of Columbia is Fifty Dollars ($50)

Subsection 6506.7 is amended to read as follows:

6506.7 DCHA will grant an exemption from payment of the minimum rent if the family is unable to pay the minimum rent because of a financial hardship when the family experiences one of the following ("qualifying hardship"):

(a) The family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program, including a family that includes a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Act of 1996 (In such a case, the hardship will only be considered to exist if the loss of eligibility affects the family's ability to pay the minimum rent);

(b) The family would be evicted because it is unable to pay the minimum rent;

(c) The income of the family has decreased because of changed circumstances, including loss of employment;

(d) A death has occurred in the family (In such a case, the family must provide DCHA with written information as to how the death created a financial hardship); and/or

(e) Other circumstances determined by DCHA or HUD.

Subsection 6506.8 is amended to read as follows:

6506.8 If the family requests a financial hardship exemption, DCHA will suspend the minimum rent requirement beginning the month following the family's request and continuing until DCHA determines whether there is a qualifying financial hardship and whether it is temporary or long term.

Subsection 6506.9 is amended to read as follows:

6506.9 If DCHA determines that a qualifying hardship is temporary, it will:

(a) Not impose the minimum rent during the 90-day period beginning the month following the date of the family's request for a hardship exemption;

(b) Reinstate the minimum rent from the beginning of the suspension at the end of the 90-day suspension; and

(c) Offer the family a reasonable repayment agreement for the amount of back rent owed by the family.

Subsection 6506.10 is amended to read as follows:

6506.10 If DCHA determines there is no qualifying hardship exemption, DCHA will:

(a) Reinstate the minimum rent, including back rent owed from the beginning of the suspension; and

(b) Require the family to pay the back rent.

Subsection 6506.11 is amended to read as follows:

6506.11 If DCHA determines that a qualifying hardship is long term, DCHA will exempt the family from the minimum rent requirements so long as such hardship continues. Such exemption shall apply from the beginning of the month following the family's request for a hardship exemption until the end of the qualifying hardship.

Subsection 6506.12 is amended to read as follows:

6506.12 The financial exemption only applies to payment of the minimum rent and not to the other elements used to calculate the total tenant payment.

Subsection 6506.43 is amended to read as follows:

6506.43 [RESERVED]

Subsection 6506.44 is amended to read as follows:

6506.44 [RESERVED]

Subsection 6506.49 is amended to read as follows:

6506.49 [RESERVED]

Subsection 6506.50 is amended to read as follows:

6506.50 [RESERVED]

Subsection 6506.52 is amended to read as follows:

6506.52 [RESERVED]

Chapter 66, VERIFICATION, is amended as follows:

Section 6601, GENERAL VERIFICATION REQUIREMENTS, is amended as follows:

Subsection 6601.43(b) is amended to read as follows:

(b) Market value of family assets total Fifty Thousand Dollars ($50,000) or less.

Chapter 67, LEASING AND INSPECTIONS, is amended as follows:

Section 6700, INTRODUCTION, is amended as follows:

Subsections 6700.2 and 6700.3 are deleted.

Section 6703, SMOKING POLICY, is amended as follows:

Subsection 6703.99 is reordered as subsection "6703.8"

Chapter 68, REEXAMINATIONS, is amended as follows:

Section 6800, INTRODUCTION, is amended as follows:

Subsection 6800.2 is amended to read as follows:

6800.2 [RESERVED]

Subsection 6800.3(b) is amended to read as follows:

(b) Section 6802 describes DCHA's policy concerning flat rents.

Section 6801, REGULAR REEXAMINATIONS FOR FAMILIES PAYING INCOME BASED RENTS, is amended as follows:

Subsection 6801.2 is amended to read as follows:

6801.2 [RESERVED]

Subsection 6801.3 is amended to read as follows:

6801.3 For all residents of public housing, DCHA must conduct an annual review of community service requirement compliance.

Section 6802, REEXAMINATIONS FOR FAMILIES PAYING FLAT RENTS, is renamed FLAT RENTS.

Subsection 6802.1 is amended as follows:

6802.1 Upon approval of the FY 2027 MTW Plan: DCHA will implement the policy as follows:

(a) New Admissions: All households admitted after the effective date of HUD approval will be placed in income-based rent only. The flat rent option will no longer be offered at admission.

(b) Current flat rent households: Households that are currently paying flat rent will transition to income-based rent as indicated in §6802.2.

Subsection 6802.2 is amended as follows:

6802.2 In order to mitigate the impact on current households who pay flat rents, DCHA will implement a phased-in transition process. Upon the household's next regular or interim reexamination, the household will begin a three-year phase in process according to the following schedule:

(a) Year 1: Current flat rent + 33% of difference in income-based rent;

(b) Year 2: Current flat rent + 66% of difference in income-based rent;

(c) Year 3: Full income-based rent.

Subsection 6802.3 is amended as follows:

6802.3 Additionally, prior to implementation, DCHA will notify all affected households of the policy change, explain the transition process, and provide information on how their rent will be calculated after the transition. Any household transitioning to income-based rents who believes it is experiencing extraordinary financial distress, may request hardship consideration pursuant to DCHA's policies.

Subsection 6802.4 is amended to read as follows:

6802.4 [RESERVED]

Subsection 6802.5 is amended to read as follows:

6802.5 [RESERVED]

Subsection 6802.6 is amended to read as follows:

6802.6 [RESERVED]

Subsection 6802.10 is amended to read as follows:

6802.10 [RESERVED]

Subsection 6802.11 is amended to read as follows:

6802.11 [RESERVED]

Subsection 6802.12 is amended to read as follows:

6802.12 [RESERVED]

Subsection 6802.13 is amended to read as follows:

6802.13 [RESERVED]

Subsection 6802.14 is amended to read as follows:

6802.14 [RESERVED]

Subsection 6802.15 is amended to read as follows:

6802.15 [RESERVED]

Subsection 6802.16 is amended to read as follows:

6802.16 [RESERVED]

Subsection 6802.17 is amended to read as follows:

6802.17 [RESERVED]

Subsection 6802.18 is amended to read as follows:

6802.18 [RESERVED]

Subsection 6802.19 is amended to read as follows:

6802.19 [RESERVED]

Section 6803, INTERIM REEXAMINATIONS, is amended as follows:

Subsection 6803.5 is amended to read as follows:

6803.5 All families must report all changes within thirty (30) calendar days in family and household composition that occur between reexaminations (or annual updates). Changes may be reported in writing by mail, email, or in-person.

Subsection 6803.9 is amended to read as follows:

6803.9 With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request DCHA approval to add a new family member or other household member (live-in aide, foster child, or foster adult). DCHA will only approve an adult family member to join the household if they are immediate family members (defined as parent, sibling, or child) of the head or co-head of household and it does not change the unit size the family qualifies for.

Subsection 6803.16 is amended to read as follows:

6803.16 [RESERVED]

Subsection 6803.17(a) is amended to read as follows:

(a) [RESERVED]

Subsection 6803.18 is amended to read as follows:

6803.18 [RESERVED]

Subsection 6803.19 is amended to read as follows:

6803.19 Upon approval of the FY 2027 MTW Plan families are required to report all increases in income between regular reexaminations, and DCHA will process an interim reexamination for those increases.

Subsection 6803.20 is amended to read as follows:

6803.20 The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination. DCHA must process the request if the family reports and provides verification of a change that results in a reduced family income, except for where allowed under DCHA's approved MTW policy.

Section 6805, OVER-INCOME FAMILIES, is amended as follows:

Subsection 6805.1 is amended to read as follows:

6805.1 An "over-income family" is defined as a family with an annual income which exceeds the over-income limit. The over-income limit is calculated by multiplying the applicable income limit for a very low-income family, as defined in 24 CFR § 5.603(b), by a factor of 2.4. The over-income rule applies to all public housing program families, including families in the Family Self-Sufficiency (FSS) program.

Subsection 6805.11(a) is amended as follows:

(a) Will continue to pay their rent; and

Chapter 70, ASSISTANCE ANIMALS AND PETS, is amended as follows:

Section 7003, PET POLICIES FOR ALL DEVELOPMENTS, is amended as follows:

Subsection 7003.2(a) is amended to read as follows:

(a) The pet is not "a common household pet" as defined in §7003.9(a)

Section 7003.9(c)(1) is amended as follows:

Subsection (c)(1) is deleted and remaining subsections renumbered accordingly.

Section 7004, PET DEPOSITS AND FEES, is amended as follows:

Subsection 7004.3(b) is amended to read as follows:

7004.3 (b) The amount of the deposit is the lower of fifteen percent (15%) of the unit's Small Area Fair Market Rent or One Hundred Dollars ($100) in addition to any other required deposits;

Chapter 77, TRANSFER POLICY, is amended as follows:

Section 7701, EMERGENCY TRANSFERS, is amended as follows:

Subsection 7701.5(f) is created to read as follows:

(f) DCHA may transfer residents to alleviate a verified threat of physical harm or criminal activity. Such circumstances may, at DCHA's discretion, include an assessment by law enforcement indicating that a family member is the actual or potential victim of a criminal attack, retaliation for testimony, or a hate crime. DCHA will verify such threats in coordination with DCHA's Office of Public Safety.

Subsection 7701.10 is amended to read as follows:

7701.10 DCHA will pay or reimburse the reasonable costs of temporarily accommodating the tenant and of long-term transfers, if any, for emergency transfers which are initiated and required by DCHA defined in § 7701.5(a), 7701.5(b), 7701.5(c), and 7701.5(e);

Section 7702, DCHA-REQUIRED TRANSFERS, is amended as follows:

Section 7702.1(e) is amended as follows:

Subsection (e) is deleted and remaining subsections (f) and (g) are renumbered as (e) and (f).

Subsection 7702.10 is amended to read as follows:

7702.10 DCHA will pay or reimburse the reasonable costs of transfers that DCHA requires, except that residents are required to bear the cost of occupancy standards transfers. DCHA will not pay or reimburse the cost of transfers requested by the tenant, as described in 7703.

Section 7703, TRANSFERS REQUESTED BY TENANTS, is amended as follows:

Section 7703.7(e) is amended as follows:

Subsection (e) is deleted and remaining subsection (f) is renumbered as (e).

Section 7704, TRANSFER PROCESSING, is amended as follows:

Subsection 7704.2(c) is amended to read as follows:

(c) A family that receives a written notice of a new dwelling unit offer and refuses the offer without good cause as defined in § 7704.3 shall be issued a Notice to Quit or Cure.

Chapter 78, LEASE TERMINATIONS, is amended as follows:

Section 7801, TERMINATION BY TENANT, is amended as follows:

Subsection 7801.4(c) is amended to read as follows:

(c) The applicant to be made Lessee, and if applicable, the other remaining household members must be eligible for continued occupancy and not be in serious violation of the material terms of the Dwelling Lease. DCHA will screen the application in accordance with federal law and regulations as well as Chapter 62. In addition, the applicant to be made lessee must be an adult family member (i.e., co-head, spouse, full-time student or other adult) who was part of the original household or approved by DCHA to be added to the household at least 12 months before the original head of household passed or vacated the unit, DCHA may permit exception to this requirement if the original head of household was admitted less than 12 months prior to passing or vacating the unit. Applicant(s) will be notified in writing of the disposition of the application:

Chapter 81, PROGRAM ADMINISTRATION, is amended as follows:

Section 8100, INTRODUCTION, is amended as follows:

Subsection 8100.1(b) is amended to read as follows:

(b) [RESERVED]

Section 8102, ESTABLISHING FLAT RENTS, is renamed [RESERVED].

Subsections 8102.1 through and including 8102.10 are deleted.

Section 8105, RECORD KEEPING, is amended as follows:

Subsection 8105.1(c) is amended as follows:

(c) In addition, DCHA will keep the following records for at least three (3) years:

(1) An application from each ineligible family and notice that the applicant is not eligible;

(2) Lead-based paint records as required by 24 CFR 35, Subpart B;

(3) Documentation supporting the establishment of utility allowances and surcharges;

(4) Accounts and other records supporting DCHA budget and financial statements for the program;

(5) Complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule;

(6) Confidential records of all emergency transfers related to VAWA requested under DCHA's Emergency Transfer Plan and the outcomes of such requests; and

(7) Other records as determined by DCHA or as required by HUD.

NOTE: The above proposed amendments to the District of Columbia Housing Authority's Admissions and Continued Occupancy Plan were published in the District of Columbia Register on October 30, 2026 in Volume 73, No. 44, Page 013765 to and including Page 013794.