

BRTI/Homestart BHA Public Housing Rent Training September 2013

ROLEPLAY #2: (In the hallway or a conference room at Boston Housing Court, in November)

BHA ATTORNEY: Hello, Ms. Paul. I'm Mike Louis, BHA's attorney. I know that you know the manager, Ms. Kelley. We're here to discuss your nonpayment eviction and see if we can work matters out so that you can repay what you owe to the BHA and can remain a BHA tenant.

TENANT: I had a chance to talk with this person, Kim, who's an advocate from Homestart. I'd like her involved in this.

BHA ATTORNEY: No problem, we work closely with Homestart. I know they may be able to offer help with the back rent. If what you owe is more than what Homestart can offer, we can talk about what payment terms would work for you and the BHA.

KIM: Before we do that, there are a couple of things I wanted to explore. First, I understand that Ms. Paul told BHA that her daughter's work had ended in July. Based on this, BHA agreed to decrease the rent from \$600/month to \$200/month, but only as of September 1.

MANAGER: That's right. We didn't have any proof that we were told about this before the private conference. I know she says she told a staff member earlier, but we have no proof of that.

KIM: But the private conference was on August 12th, right? Doesn't the lease say that if BHA knows about a change before the 15th of the month, you're supposed to make it effective as of the 1st of that same month. So it should have been effective August 1st.

BHA ATTORNEY: [Looks at private conference notice.] OK, you're got a point. We'll agree to that. That would mean that the rent would drop by \$400.00 for the month of August. She owed us \$1,200.00. With this change, she'd still owe us \$800.00, plus court costs.

KIM: The other issue is whether Ms. Paul's daughter's employment income should have counted at all, or whether the Earned Income Disregard would apply to that.

MANAGER: Wait a minute. Doesn't the Disregard only apply to the head of household?

KIM: No. Ms. Paul, could you explain what the story was with your daughter?

TENANT: After my daughter turned 18, she couldn't find any work. I think you'll see that she reported "no income" on the BHA forms when she was 19. She got this job when she turned 20, and it was reported last fall.

MANAGER: Wasn't she working when she was a full-time student?

TENANT: For a while, but that was when she was 18. She had been out of school and without any income for at least a year. Take a look at the forms.

MANAGER: [Looking at tenant file.] OK, I see that. We did not count your daughter's income when she was 18 and a full time student. The next year, you didn't get that because we didn't have anything to show she was in school. But wait a minute! Didn't you already get the Earned Income Disregard? That's what the computer form says.

KIM: If you look at it, you'll see that was for the head of household, when Ms. Paul moved from welfare to employment back in 2009. But she can now claim this for the daughter as well.

MANAGER: Mike? I've never heard of this.

BHA ATTORNEY: We'll have to look into this. But play this out for me. What do you think should happen?

KIM: If I understand this correctly, the rent went up in December of last year. It was based on Ms. Paul's SSI and her daughter's work income. The daughter's income prior to employment was zero, so if the Disregard applies, you wouldn't count any of the daughter's work income.

MANAGER: We would need to verify that your daughter wasn't working for at least 12 months before she began her employment.

KIM: We can get you that information. Playing this out, the rent would be \$200/mo., rather than \$600/mo., from December of last year through July of this year. She would get a credit of \$400/month for 8 months, or \$3,200.00. If you take away the \$800.00 that was owed on rent, it looks like BHA owes Ms. Paul \$2,400.00.

MANAGER: But we just found out that your daughter's getting unemployment now. Shouldn't we count that?

TENANT: My daughter had to fight for that. She didn't get it right away. But yes, she's getting that now.

KIM: We'd agree that for her annual review effective December 1st, you can count her unemployment income. She just started to receive this.

TENANT: What happens if my daughter goes back to work?

KIM: From HUD and BHA guidelines, it looks like she would still be entitled to get the remaining 4 months of full disregard of the increase in income from her employment, starting from when she went back to work. After that, BHA could count 50% of the employment income for the next 12 months.

MANAGER: I need to discuss this more with the legal department. But if that happens, remember, the Disregard has to be fully used with 48 months of when the employment starts.

TENANT: Yes, that's what happened to me. I only got some of the benefit for myself, and then I became disabled and went on SSI—and my four years is up.

BHA ATTORNEY: As the manager said, we're not agreeing with you on this, but you raise some matters that we need to look into. Let's continue the case for four weeks, and in the meantime I will review this with management. Anything else that needs to happen right now?

MANAGER: We still haven't completed the documents for the annual review effective December 1st, and if she could come into the management office in the meantime. We may also need something to show the daughter was unemployed for 12 months or more before she started her work.

TENANT: No problem.

BHA ATTORNEY: OK, here's a copy of the continuance, and our new date back in court will be December 18th. Let's wrap this up before Christmas, OK?

EVERYONE ELSE: OK.

Notes for presenters: Points we want to make (separate from points with first role play)

--What the Earned Income Disregard (EID) Is, and How It Works

--That the EID Can Apply to More Than One Household Member and, for Federal Housing, Can Be Used for Each Household Member that Qualifies

--Question of Whether the EID was already used.

--Distinction between EID and Treatment of Earnings of Full-Time Students

--How Disregard Periods Can Stop and Start, How Unemployment is Treated, and How You Can Lose the Balance of the Disregard If 48 Months Goes By

--Importance of Reviewing the Tenant File

--Can the BHA ever adjust the rent retroactively?