



LEGAL AID SOCIETY OF HAWAI'I



PUBLIC HOUSING: INCOME CHANGES & RENT ADJUSTMENTS

WHAT TO DO IF YOUR INCOME CHANGES

IMPORTANT

This brochure applies to tenants in public housing developments operated by the Hawaii Public Housing Authority (“HPHA”).



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INTRODUCTION

The U.S. Department of Housing and Urban Development (“HUD”) requires that the Hawaii Public Housing Authority (“HPHA”) re-certify all families at least once per year if they are on income-based rents or once every three years if the family chooses flat rent.

HPHA determines Total Tenant Payment (annual rent) using the information families report at their annual re-certification – namely, household composition, income, deductions, and allowances. The annual re-certification meeting is mandatory, and must be completed within specific time limits. Failure to attend your annual re-certification meeting may result in a notice of lease violation and, ultimately, eviction.

If at any point your household income changes, you should immediately report the change to HPHA because your rent may need to be re-calculated.

INTERIM CHANGES IN HOUSEHOLD INCOME

An “interim change” in household income occurs when household income either increases or decreases in the time between regularly scheduled annual re-certifications. For families on income-based rent, reporting interim changes in household income could mean an immediate change in rent (“rent adjustment”).

To report an interim change in household income properly, you must provide written notice to your Housing Manager within ten (10) working days of when the change occurs. (*See the blank form at the back of the brochure*). Any information, document or signature needed to verify the change must be provided within three (3) working days of the change.

INCREASES IN INCOME & RENT ADJUSTMENTS

You must report all increases in income/assets of all household members to HPHA. Specifically, you are required to report all increases in the following sources of household income:

- Increases in earned income from the employment of a current household member;
- Increases in income because a person with income joins the household;
- Increases in household income that results from a *new* income source.

HPHA will adjust (increase) your rent according to your income increase if either:

1. The income increase is due to a new person joining the household; OR
2. Your rent was previously lowered due to an interim decrease in household income.

Rent adjustments due to income increases take effect on the first day of the month following at least thirty (30) days notice.

If the above scenarios do not apply to your situation, however, HPHA will not adjust (increase) your rent until the next regularly scheduled re-certification.

NOTE: If HPHA increases your rent at any point during the year, they must first provide 30 days written notice.

DECREASES IN INCOME & RENT ADJUSTMENTS

You may report a decrease in household income and/or other changes, such as an increase in allowances or deductions which would reduce your Total Tenant Payment (annual rent).

HPHA will adjust (decrease) your rent whenever there is a decrease in income. There is, however, one exception to this rule: If HPHA confirms that the decrease in income will last less than thirty (30) days, HPHA will not adjust (reduce) your rent.

Rent adjustments due to income decreases take effect on the first day of the month following the month in which the change was reported.

WHAT HAPPENS IF I FAIL TO REPORT THE CHANGE ON TIME?

If you fail to report income **increases** within ten (10) working days of when the change occurs, HPHA will increase your rent retroactively to the date it would have been increased had you reported the change on time. You will be charged the total amount of any underpaid rent, and may be required to sign a Repayment Agreement. If the delinquency is so great that it will take longer than six (6) months to repay, HPHA will neither offer, nor enter into, a Repayment Agreement.

If you fail to report income **decreases**, HPHA will decrease your rent beginning on the first day of the month following rent re-calculation. HPHA will not go back and make adjustments for past months if you did not report the decrease.

WHAT HAPPENS IF HPHA FAILS TO PROCESS THE CHANGE ON TIME?

HPHA must process reported income changes in a “timely manner,” which means that your rent must change when it is supposed to change.

If HPHA should have decreased your rent but failed to process your income change on time, then you will be credited for any overpayments made during corresponding months.

If HPHA should have increased your rent but failed to process your income change on time, then you will not be charged retroactively for the months HPHA spent processing your income change. **REMEMBER:** If HPHA increases your rent at any point during the year, they must first provide 30 days written notice.

WHAT IF HPHA MISCALCULATES MY RENT?

If you believe your rent was calculated incorrectly, you should immediately submit a written grievance hearing request. Your Housing Manager will schedule an informal grievance hearing in which to discuss the calculation of your rent. (See *Legal Aid's Brochure, "Public Housing Grievance Process"*).

If HPHA mistakenly *undercharged* you for rent, you will not be charged retroactively for their mistake. If HPHA mistakenly *overcharged* you for rent, HPHA must credit you for any overpayment resulting from their mistake.

IMPORTANT: If you provide inaccurate information about your income, and your rent is miscalculated as a result, you alone are to blame.

- If the inaccurate information you provided resulted in discounted rent, you will have to repay the full amounts delinquent.
- If the inaccurate information you provided resulted in inflated rent, HPHA will not reimburse you for any amount that you overpaid.

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Legal Aid's Hotline:

O'ahu: 808.536.4302

Neighbor Islands: 1.800.499.4302

REMEMBER:

This brochure is meant to provide general information, and does not provide specific legal advice about your individual case. The law often changes. Each case is different.

Hawai'i Immigrant Justice Center *at the*
Legal Aid Society of Hawai'i

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www.legalaidhawaii.org

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