

voucher term if the family has submitted a request for lease approval during the term of the certificate or voucher. (§982.4 (definition of "suspension"); §982.54(d)(2)) The HA may grant a suspension for any part of the period after the family has submitted a request for lease approval up to the time when the HA approves or denies the request.

(d) *Progress report by family to the HA.* During the initial or any extended term of a certificate or voucher, the HA may require the family to report progress in leasing a unit. Such reports may be required at such intervals or times as determined by the HA.

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[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23860, Apr. 30, 1998]

§982.304 Illegal discrimination: HA assistance to family.

A family may claim that illegal discrimination because of race, color, religion, sex, national origin, age, familial status or disability prevents the family from finding or leasing a suitable unit with assistance under the program. The HA must give the family information on how to fill out and file a housing discrimination complaint.

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[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§982.305 HA approval to lease a unit.

(a) *Program requirements.* The HA may not give approval for the family to lease a dwelling unit, or execute a HAP contract, until the HA has determined that all the following meet program requirements:

- (1) The unit is eligible;
- (2) The unit has been inspected by the HA and passes HQS;
- (3) The lease is approvable and includes the lease addendum;
- (4) The rent to owner is reasonable; and
- (5) For a unit leased under the certificate program, the total of contract rent plus any utility allowance does not exceed the FMR/exception rent limit.

(b) *Actions before lease term.* All of the following must always be completed before the beginning of the lease term:

- (1) The HA has inspected the unit, and has determined that the unit satisfies the HQS;
- (2) The landlord and the tenant have executed the lease; and
- (3) The HA has approved leasing of the unit in accordance with program requirements.

(c) *When HAP contract is executed.* (1) The HA must use best efforts to execute the HAP contract before the beginning of the lease term. The HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

(2) The HA may not pay any housing assistance payment to the owner until the HAP contract has been executed.

(3) If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the HA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

(4) Any HAP contract executed after the 60 day period is void, and the HA may not pay any housing assistance payment to the owner.

(d) *Notice to family and owner.* After receiving the family's request for approval to lease a unit, the HA must promptly notify the family and owner whether the assisted tenancy is approved.

(e) *Procedure after HA approval.* If the HA has given approval for the family to lease the unit, the owner and the HA execute the HAP contract.

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[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

§982.306 HA disapproval of owner.

(a) The HA must not approve a unit if the HA has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

(b) When directed by HUD, the HA must not approve a unit if:

(1) The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements, and such action is pending; or

(2) A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

(c) In its administrative discretion, the HA may deny approval to lease a unit from an owner for any of the following reasons:

(1) The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);

(2) The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

(3) The owner has engaged in drug-trafficking;

(4) The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;

(5) The owner has a history or practice of renting units that fail to meet State or local housing codes; or

(6) The owner has not paid State or local real estate taxes, fines or assessments.

(d) The HA must not approve a unit if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless the HA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities.

(e) Nothing in this rule is intended to give any owner any right to participate in the program.

(f) For purposes of this section, "owner" includes a principal or other interested party.

[60 FR 34695, July 3, 1995, as amended at 63 FR 27437, May 18, 1998]

§ 982.307 Owner responsibility for screening tenants.

(a) *Owner screening.* (1) Listing a family on the HA waiting list, or selecting

a family for participation in the program, is not a representation by the HA to the owner about the family's expected behavior, or the family's suitability for tenancy. At or before HA approval to lease a unit, the HA must inform the owner that the HA has not screened the family's behavior or suitability for tenancy and that such screening is the owner's own responsibility.

(2) Owners are permitted and encouraged to screen families on the basis of their tenancy histories. An owner may consider a family's background with respect to such factors as:

(i) Payment of rent and utility bills;

(ii) Caring for a unit and premises;

(iii) Respecting the rights of others to the peaceful enjoyment of their housing;

(iv) Drug-related criminal activity or other criminal activity that is a threat to the life, safety or property of others; and

(v) Compliance with other essential conditions of tenancy.

(b) *HA information about tenant.* (1) The HA must give the owner:

(i) The family's current and prior address (as shown in the HA records); and

(ii) The name and address (if known to the HA) of the landlord at the family's current and prior address.

(2) When a family wants to lease a dwelling unit, the HA may offer the owner other information in the HA possession, about the family, including information about the tenancy history of family members, or about drug-trafficking by family members.

(3) The HA must give the family a statement of the HA policy on providing information to owners. The statement must be included in the information packet that is given to a family selected to participate in the program. The HA policy must provide that the HA will give the same types of information to all families and to all owners.

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