

(i) The payment standard for the family unit size; or

(ii) The payment standard for the unit size rented by the family.

(3) *Voucher program.* For a voucher tenancy, the HA establishes payment standards by number of bedrooms. The payment standards for the family must be the lower of:

(i) The payment standards for the family unit size; or

(ii) The payment standard for the unit size rented by the family.

(d) *Size of unit occupied by family.* (1) The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit must meet the applicable HQS space requirements.

(2) The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family unit size.

[60 FR 34695, July 3, 1995, as amended at 63 FR 23861, Apr. 30, 1998]

§ 982.403 Terminating HAP contract: When unit is too big or too small.

(a) *Violation of HQS space standards.*

(1) Paragraph (a) of this section applies to the tenant-based certificate program and voucher program.

(2) If the HA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the HA must issue the family a new certificate or voucher, and the family and HA must try to find an acceptable unit as soon as possible.

(3) If an acceptable unit is available for rental by the family, the HA must terminate the HAP contract in accordance with its terms.

(b) *Certificate program only—Subsidy too big for family size.* (1) Paragraph (b) of this section applies to the tenant-based certificate program.

(2) The HA must issue the family a new certificate, and the family and HA must try to find an acceptable unit as soon as possible if:

(i) The family is residing in a dwelling unit with a larger number of bedrooms than appropriate for the family unit size under the HA subsidy standards; and

(ii) The gross rent for the unit (sum of the contract rent plus any utility al-

lowance for the unit size leased) exceeds the FMR/exception rent limit for the family unit size under the HA subsidy standards.

(3) The HA must notify the family that exceptions to the subsidy standards may be granted, and the circumstances in which the grant of an exception will be considered by the HA.

(4) If an acceptable unit is available for rental by the family within the FMR/exception rent limit, the HA must terminate the HAP contract in accordance with its terms.

(c) *Termination.* When the HA terminates the HAP contract (under paragraphs (a) or (b) of this section):

(1) The HA must notify the family and the owner of the termination; and

(2) The HAP contract terminates at the end of the calendar month that follows the calendar month in which the HA gives such notice to the owner.

(3) The family may move to a new unit in accordance with § 982.314.

(Approved by the Office of Management and Budget under control number 2577-0169)

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

§ 982.404 Maintenance: Owner and family responsibility; HA remedies.

(a) *Owner obligation.* (1) The owner must maintain the unit in accordance with HQS.

(2) If the owner fails to maintain the dwelling unit in accordance with HQS, the HA must take prompt and vigorous action to enforce the owner obligations. HA remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.

(3) The HA must not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the HA and the HA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any HA-approved extension).

(4) The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is