

*Public housing* means housing assisted under the 1937 Act, excluding housing assisted under Section 8 of the 1937 Act.

*Self-sufficiency* means that an FSS family is no longer receiving Section 8, public or Indian housing assistance, or any Federal, State, or local rent or homeownership subsidies or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS account funds. (See §984.305 of this part.)

*Supportive services* means those appropriate services that an HA will make available, or cause to be made available to an FSS family under a contract of participation, and may include:

(1) *Child care*—child care of a type that provides sufficient hours of operation and serves an appropriate range of ages;

(2) *Transportation*—transportation necessary to enable a participating family to receive available services, or to commute to their places of employment;

(3) *Education*—remedial education; education for completion of secondary or post secondary schooling;

(4) *Employment*—job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the contract of participation;

(5) *Personal welfare*—substance/alcohol abuse treatment and counseling;

(6) *Household skills and management*—training in homemaking and parenting skills; household management; and money management;

(7) *Counseling*—counseling in the areas of:

(i) The responsibilities of homeownership;

(ii) Opportunities available for affordable rental and homeownership in the private housing market, including information on an individual's rights under the Fair Housing Act; and

(iii) Money management; and

(8) *Other services*—any other services and resources, including case management, reasonable accommodations for individuals with disabilities, that the HA may determine to be appropriate in assisting FSS families to achieve eco-

nommic independence and self-sufficiency.

*Unit size or size of unit* refers to the number of bedrooms in a dwelling unit.

*Very low-income family*. See definitions in 24 CFR 813.102 and 913.102.

*Welfare assistance* means income assistance from Federal or State welfare programs, and includes assistance provided under the Aid to Families with Dependent Children (AFDC) Program, Supplemental Security Income (SSI) that is subject to an income eligibility test; Medicaid, food stamps, general assistance, or other assistance provided under a Federal or State program directed to meeting general living expenses, such as food, health care, child care, but does not include assistance solely directed to meeting housing expenses, and does not include transitional welfare assistance provided to JOBS participants.

#### **§984.104 Basic requirements of the FSS program.**

An FSS program established under this part shall be operated in conformity with:

(a) The regulations of this part, and for a Section 8 FSS program, the rental certificate and rental voucher regulations, codified in 24 CFR parts 882, 887, and 982 respectively, and for a public housing FSS program, the applicable public housing regulations, including the regulations in 24 CFR parts 913, 960, and 966;

(b) An Action Plan, as described in §984.201, and provide comprehensive supportive services as defined in §984.103; and

(c) An FSS program established under this part shall be operated in compliance with the nondiscrimination and equal opportunity requirements set forth in 24 CFR part 5, with the exception of Executive Orders 11246, 11625, 12432, and 12138.

#### **§984.105 Minimum program size.**

(a) *General*. Unless otherwise excepted from operation of an FSS program as provided in paragraph (c) of this section, or from operation of an FSS program of the minimum size as

provided in paragraph (d) of this section, an HA shall operate an FSS program of the minimum size as determined in this section.

(1) *Determining minimum program size.* The minimum size of a FSS program:

(i) For a public housing FSS program, is equal to:

(A) The total number of public housing units reserved in FY 1993, and each subsequent FY; plus (if applicable)

(B) The number of public housing units reserved in FY 1991 and FY 1992 under the FSS incentive award competitions;

(ii) For a Section 8 FSS program, is equal to:

(A) The total number of rental certificates and rental vouchers reserved in FY 1993, and each subsequent FY; plus (if applicable)

(B) The number of rental certificates and rental vouchers reserved under the combined FY 1991/1992 FSS incentive award competition.

(2) *Applicable units and certificates and vouchers.* In determining minimum program size, for a public housing FSS program, all new public housing rental units reserved will be counted and, for a Section 8 FSS program, all rental certificates and rental vouchers reserved will be counted, except those used to replace rental certificates or rental vouchers (renewals).

(b) *Maintaining minimum program size.* As the contracts of participation for FSS families are completed or terminated, replacement FSS families must be selected to maintain the minimum program size. A replacement family must be selected in accordance with the FSS family selection procedures set forth in § 984.203.

(c) *Exception to program operation.* (1) Upon approval by HUD, an HA will not be required to establish and carry out a public housing or a Section 8 FSS program if the HA provides to HUD a certification, as defined in § 984.103, that the establishment and operation of such an FSS program is not feasible because of local circumstances, which may include, but are not limited to:

(i) Lack of accessible supportive services funding, including lack of the availability of programs under JTPA or JOBS;

(ii) Lack of funding for reasonable administrative costs;

(iii) Lack of cooperation by other units of State or local government; or

(iv) Lack of interest in participating in the FSS program on the part of eligible families.

(2) An exception will not be granted if HUD determines that local circumstances do not preclude the HA from effectively operating an FSS program that is smaller than the minimum program size.

(d) *Reduction in program size.* Upon approval by HUD, an HA may be permitted to operate a public housing or a Section 8 FSS program that is smaller than the minimum program size if the HA provides to HUD a certification, as defined in § 984.103, that the operation of an FSS program of the minimum program size is not feasible because of local circumstances, which may include, but are not limited to:

(1) Decrease in or lack of accessible supportive services, including decrease in the availability of programs under JTPA or JOBS;

(2) Decrease in or lack of funding for reasonable administrative costs;

(3) Decrease in or lack of cooperation by other units of State or local government;

(4) Decrease in or lack of interest in participating in the FSS program on the part of eligible families.

(e) *Review of certification records.* HUD reserves the right to examine, during its management review of the HA, or at any time, the documentation and data that an HA relied on in certifying to the unfeasibility of its establishing and operating an FSS program, or of operating an FSS program of less than minimum program size.

## Subpart B—Program Development and Approval Procedures

### § 984.201 Action Plan.

(a) *Requirement for Action Plan—(1) General.* To participate in the FSS program, an HA must have a HUD-approved Action Plan that complies with the requirements of this section.

(2) [Reserved]

(b) *Development of Action Plan.* The Action Plan shall be developed by the