

of a qualified family who are also TANF recipients can receive the disregard based on the qualifying factor related to new employment or an increase in income during or within six months of receipt of TANF.

- * A family paying the flat rent at the time a family member experiences an event that would qualify them for EID cannot take advantage of the EID.. If the family later chooses to pay income-based rent, they would only qualify for the EID if another qualifying event occurred.
- * A tenant is eligible for the income disregard if she obtains a job 2 months after completion of the coursework portion of a vocational school program as long as she is still receiving job search and counseling assistance from the program.

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Public Housing Tenants Can Keep More of What They Earn



A Public Housing Authority cannot increase a public housing family's rent for a period of 12 months if the increase in income results from:

Earned Income from Employment of a family member who was unemployed for one or more years before the current employment. Includes a person who in the 12 month prior to starting the current employment, earned no more than an amount equal to 10 hour a week for 50 weeks at minimum wage.

Increased Earnings by a family member during participation in any economic self sufficient or other job training program, which can include technical schools, college and training programs for persons

with disabilities. Does not apply to increases occurring after participation ends. Such programs include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work or other work activities.

New Earned Income or Increase Earned Income of a family member during or within 6 months after receiving “assistance, benefits or services under state temporary assistance program for needy families such as TANF. Not limited to monthly TANF benefits but can also be one-time payments, wage subsidy, or transportation assistance from DFCS. As long as the total amount is at least \$500 over a six month period. The minimum \$500 requirement applies only to one-time benefits, wage subsidies, and transportation. A person receiving regular monthly cash assistance during or within the six-month period since first receiving assistance is eligible for the disallowance even if the amount received is less than \$500.

What Is Disregarded?

100% of the earned income is excluded from annual income for purposes of calculating rent for 12 cumulative months.

Eligibility for the disregard begins on the date of employed or first date of increase earnings due to employment.

After all 12 months of the 100% disregard have been used. The tenant still has 12 months during which the PHA must exclude 50% of any increase in rent resulting from employment income.

The 100% and 50% monthly disregards must be used during a 48 month (4 year) period starting from the month the first income was disregarded. During the four year period, the family need not be taken consecutively. For example, a tenant can work for 3 months, using three of her 12 months of 100% disregard, then stop work for six months, then return to work and still have 9 months of her 100% disregard remaining. The only limit is that the 24 months of disregard be used within 48 hours from the date of the first used disregard.

The PHA may elect to offer individual savings accounts to tenants who chose to pay a rent calculated without the earned income being excluded, even though eligible for the earned income disregard. The difference between the charged rent and the rent actually due after the disregard of the earned income is deposited into the account. If the PHA elects to offer the savings account, they can not require

tenants to participate. A family could access the account for purchasing a home, paying education costs, moving out of public housing, or other purposes promoting self-sufficiency. If a PHA offers savings accounts, it must pay interest, not charge any fees, and provide yearly notice of the account balance. If the family moves out of the public housing authority unit the PHA can withhold from the savings account any amounts owed to the housing authority.

Unique Situations

- * A family which does not report the increase in income for six months. Even if the tenant fails to report changes in income as required by the PHA, the tenant still receives the benefit of the full-earned income disregard. By not reporting the increase, the family received the benefit for the 6 months prior to the reexamination. The family is entitled to 100 percent of the disregard of any incremental increase for the remaining six months. At the end of the six months, the family is then entitled to the 12 month 50% disregard of the incremental increase.
- * the member of a household who gets a job or increased earnings must be the same member of the household who received TANF benefits. Only members