



HUD Screening Policies: Do You Know the Rules?

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When a property has a vacancy, the goal is to fill that vacancy with a family that will pay the rent on time, abide by the terms of the lease, keep the property/unit in decent shape, and allow all residents/neighbors to peacefully enjoy their homes. In order to accomplish this goal, a property needs to have a plan to screen out undesirable prospects that are likely to become headaches in the future. This is also true for government-assisted housing. HUD Handbook 4350.3 REV-1 requires that property owners/agents describe their screening policies in their tenant selection plans.

Screening versus determining eligibility

Screening for suitability of tenancy is not a determination of *eligibility* for the subsidized housing program. Screening is a determination that an otherwise eligible household has the ability to pay rent on time and to meet the requirements of the lease.

Eligibility is a determination that an applicant family meets all of the criteria for the type of subsidy in the property. To be eligible, a family must meet the income limits, have the correct citizenship/immigration status, and provide specific information and documentation such as Social Security numbers. (Eligibility is discussed in Chapter 3 of HUD Handbook 4350.3 REV-1.)

Screening requirements

Property owners/agents have the right to establish screening criteria to help determine whether to accept or deny an applicant. The screening criteria:

- Must be included in the tenant selection plan;
- Must comply with all applicable fair housing and civil rights laws; and
- Must be applied uniformly to all prospective applicants (including live-in aides, police officers, and other security or management personnel).

Permitted screening

Permitted screening includes:

- Illegal drug use and drug-related criminal activity
- Violent criminal activity
- Other criminal activity that threatens the health, safety, and right to peaceful enjoyment of the premises by other residents
- Credit history
- Rental history
- Housekeeping habits (owners must establish reasonable written standards that can be consistently applied to all families)

Prohibited screening

Prohibited screening includes:

- Screening based on race, color, religion, sex, national origin, age, familial status, or disability
- Requiring medical evaluation such as AIDS, TB, or pregnancy testing



- Requiring tenant participation in a meals program that is not approved by HUD
- Requiring a donation, contribution, membership fee, or application processing fee as a condition of admission

Conclusion

Inadequate screening is likely to result in costly consequences (unpaid rent, termination costs, and physical property damages) to property owners. A proactive approach will improve the community/property image and the quality of life for residents. Ultimately, it will save time and headaches for management staff.