



United States
Department of
Agriculture

Rural Development

"Improving the Quality of Life for Rural Montana"

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March 1, 2004

MT AN 210 (1930-C) ATTACHMENT "A"

TO: Multi-Family Housing Staff
USDA, Rural Development, Montana

SUBJECT: DOCUMENTATION REQUIRED TO SUPPORT TENANT CERTIFICATIONS
SHOWING ZERO INCOME FOR MULTI-FAMILY HOUSING (MFH)
PROJECTS

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) provides guidance to RHS staff and MFH project owners and managers on the required documentation for zero income tenants. The intended outcome is to reduce opportunities for fraud, waste and abuse of rental assistance.

COMPARISON WITH PREVIOUS AN:

Previous MT AN 139, issued on 9/21/00 and expired on 9/21/01 provided guidance.

IMPLEMENTATION RESPONSIBILITIES:

The provisions of this AN will be implemented immediately. Owners and managers will be informed of these requirements in writing no later than 30 days following issuance. A copy of this AN may be provided as notification.

In accordance with the provisions of Rural Development (RD) Instruction 1930-C, Exhibit B, VII, the owners or managers are required to verify the income of tenants and/or applicants and maintain Tenant Files. If an applicant or tenant is reporting zero income, Attachment A, Certification For Zero Income Tenants, is to be completed by the owner or manager and submitted to the State Office with Tenant Certifications on an annual basis or when a tenant's income changes.

EXPIRATION DATE:
March 1, 2005

FILING INSTRUCTIONS:
Preceding MT Instruction 1930-C

Attachment A indicates the documentation that the owner or manager has obtained to support the zero income status of the tenant. Said documentation must be maintained in the Tenant File and re-verified annually, in accordance with 1930-C. By submitting Attachment A, the owner or manager is certifying to USDA Rural Development what documentation they have obtained and that it is maintained in the Tenant File. All the listed documentation must be obtained. All listed documentation must be dated and signed.

1. A statement from the Social Security Administration verifying that the tenant or applicant and household members are not receiving and are not eligible for benefits.
2. A statement from the Unemployment Agency verifying that the tenant or applicant and household members are not receiving and are not eligible for benefits.
3. A statement from the Department of Health and Welfare verifying that the tenant or applicant and household members are not receiving and are not eligible for benefits.
4. A statement from the Veterans Administration verifying that the tenant or applicant and household members are not receiving and are not eligible for benefits. This is required only if there is an identified veteran in the household.
5. A signed, dated and notarized statement from the tenant or applicant certifying they are not receiving income from any source and explaining how they will pay rents. If the tenant will not be receiving rental assistance and will be required to pay basic/*rent, an explanation as to how they will accomplish this needs to be submitted.

If the owner or manager fails to certify that this information is collected and retained in the Tenant File, the servicing office will not process the Tenant Certification.

If you have any questions concerning this policy, please contact the assigned MFH Specialist or the MFH Division at (406) 585-2515.

W.T. (Tim) Ryan
State Director

Attachment