

## Falmouth Housing Authority

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### **Falmouth Housing Authority Repayment Policy for the Housing Choice Voucher Program**

Any amount owed to the Falmouth Housing Authority (FHA) by a Section 8/Housing Choice Voucher participant family must be repaid by the family. If the family is unable to repay the debt within thirty (30) days, FHA will offer to enter into a repayment agreement. If the family refuses to pay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, FHA will terminate assistance and pursue other modes of collection [24 CFR 792.103]

#### **General Repayment Agreement**

##### ***Down Payment Required***

Before executing a repayment agreement with a family, FHA will generally require a down payment of 10% of the total amount owed. If the family can provide evidence satisfactory to FHA that a down payment of 10% would impose an undue hardship, FHA may, in its sole discretion, require a lesser percentage or waive the requirement.

##### ***Payment Thresholds***

FHA has established the following thresholds for repayment of debts owed:

Amounts between \$3,000 and the federal or state threshold for criminal prosecution must be repaid within 36 months.

- Amounts between \$2,000 and \$2,999 must be repaid within 30 months.
- Amounts between \$1,000 and \$1,999 must be repaid within 24 months.
- Amounts below \$1,000 must be repaid within 12 months.

If a family can provide evidence satisfactory to FHA that the threshold applicable to the family's debt would impose an undue hardship, FHA may, in its sole discretion, determine that a lower monthly payment amount is reasonable. In making its determination, FHA will consider all relevant information, including the following:

- The amount owed by the family to FHA
- The reason for the debt, including whether the debt was the result of family action/inaction or circumstances beyond the family's control
- The family's current and potential income and expenses
- The family's current family share, as calculated under 24 CFR 982.515
- The family's history of meeting its financial responsibilities

##### ***Execution of the Agreement***

Any repayment agreement between FHA and a family must be signed and dated by FHA and the head of household and spouse/co-head (if applicable).

##### ***Due Dates***

All payments are due by the close of business on the 15<sup>th</sup> day of the month. If the 15<sup>th</sup> does not fall on a business day, the due date is the close of business on the first business day after the 15<sup>th</sup>.

##### ***Late or Missed Payments***

If a payment is not received by the end of the business day on the date due, and prior approval for the missed payments has not been given by FHA, FHA will send the family a delinquency notice giving the family 10 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and FHA will terminate assistance. If the family receives three (3) delinquency notices for unexcused late payments in a 12-month period, the repayment agreement will be considered in default, and FHA will terminate the housing assistance voucher.

***Not Offer of Repayment Agreement***

FHA will not enter into a repayment agreement with a family if there is already a repayment agreement in place with the family or if the amount owed by the family exceeds the federal or state threshold for criminal prosecution.

**Approved by the Board of Commissioners on October 9, 2018 – Resolution No. 2019-049**