

based voucher program, project-based voucher program and project-based certificate program; and

(2) for the PHA's moderate rehabilitation programs (including moderate rehabilitation Single Room Occupancy).

(B) *Units exceeding 600 unit threshold.* 7.0 percent of the adjusted "base amount" for each additional unit in the program above the 600-unit threshold.

(ii) for PHA-owned units. 3.0 percent of the adjusted "base amount" for each PHA-owned unit.

V. Other Administrative Fees

HUD may approve administrative fees in addition to the on-going administrative fee. The types of additional fees that are currently permitted are described in PIH Notice 2002-7 (HA), issued March 31, 2002.

1. *Hard-to-House Fee.* HUD may pay a special fee to a PHA for costs incurred in assisting families who experience difficulty, as determined by HUD, in finding or leasing appropriate housing under the housing choice voucher program. Hard-to-house fees include the following:

(a) *Hard-to-House Fees for Large Families.* The PHA will be paid \$75 every time a hard-to-house family is actually housed in a unit other than the family's pre-program unit. HUD pays the PHA a hard-to-house fee for the extra effort provided by a PHA in assisting families with three or more minors to enable them to find suitable housing.

(b) *Hard-to-House Fee for a family that includes a person with disabilities.* The PHA will be paid \$75 every time a family that includes a person with disabilities is actually housed in a unit other than the family's pre-program unit. HUD pays the PHA a hard-to-house fee for the extra effort provided by the PHA in assisting a family that includes a person with disabilities to enable them to find appropriate housing.

2. *Fee for Extraordinary Costs.* HUD may pay a special one-time fee for extraordinary costs incurred by the PHA in the operation of the housing choice voucher program, as approved by the Assistant Secretary for Public and Indian Housing.

3. *Housing Conversion Actions.* HUD provides housing choice voucher assistance to assist eligible residents that are affected by several different types of owners of HUD actions (collectively described as "Housing conversion actions"). When a PHA receives a special allocation of voucher funding from HUD for a Housing

conversion action, the PHA will receive a fee. The amount of the fee is \$250 per unit for the total number of occupied units covered by the Housing conversion actions—preservation prepayments; project-based opt-outs; HUD enforcement actions, or HUD property disposition.

Other voucher conversion actions, such as public housing replacements or Section 8 moderate rehabilitation contract expirations, are not eligible for the Housing conversion fee.

4. *Preliminary Fees.* A PHA may earn a preliminary fee of \$500 per unit as reimbursement for preliminary expenses the PHA incurred in the first year the PHA administers the first increment of funding for assistance under the housing choice voucher program.

5. *Lead-Based Paint Fee for Initial Clearance Test.* HUD pays a PHA \$150 to conduct the initial lead-based paint hazard clearance test on paint stabilization efforts in a unit occupied by a family with a child under the age of six in connection with the PHA's housing quality standards inspections before and during assisted occupancy. Paint stabilization is required at 24 CFR part 35. The initial testing is performed on units that have deteriorated paint above the *de minimis* level specified in the lead-based paint regulations following repair of the deteriorated paint. See 24 CFR 35.1330(a)(3).

6. *Lead-Based Paint Risk Assessment Fee.* The PHA must conduct a risk assessment of a unit in which a child under the age of six, with an environmental intervention blood-lead level (EIBLL), has lived at the time the child's blood was last sampled, unless an evaluation has already been conducted by the public health department. HUD pays a PHA \$350 each time a risk assessment of a unit is conducted on behalf of a family with a child under the age of six with an EIBLL and where the family is assisted by the housing choice voucher program. The EIBLL must be identified by the local health department or other medical provider during the time the family resided in the unit.

VI. On-Going Administrative Fee Amounts

A schedule of monthly per unit on-going administrative fee amounts for FY 2003 is attached to this Notice. The schedule shall be used to determine the amount of FY 2003 on-going administrative fees in PHA fiscal year-end financial statements.

The schedule establishes the on-going administrative fee amounts for each fair market rent (FMR) area. If a PHA's jurisdiction includes more than one

FMR area (e.g., for a PHA with state-wide jurisdiction), the PHA's earned fees for administration of dwelling units leased in each FMR area are calculated using the on-going administrative fee amounts on the schedule for the FMR area where the units are actually located.

The schedules show the monthly on-going administrative fee amounts a PHA earns for each unit under a housing assistance payment contract on the first day of the applicable month during federal FY 2003. On-going administrative fees earned for the portion of a PHA's fiscal year that falls in the preceding FY (e.g., the first 3 quarters of a fiscal year ending December 31, 2001) shall be determined in accordance with the notice published in the **Federal Register** on April 15, 2002 (67 FR 18402).

The schedule is arranged in three columns (designated as Columns A, B, and C). As described in more detail below, Column A establishes the on-going administrative fee amount for the first 600 units (except PHA-owned units) in the PHA's voucher program or moderate rehabilitation program, Column B establishes the on-going administrative fee amount for additional units (except PHA-owned units) in the PHA's voucher or moderate rehabilitation program, and Column C establishes the on-going administrative fee amount for PHA-owned units.

Column A: On-going administrative fees for 600 units or less. The amount in Column A is the monthly per unit fee amount used to compute the FY 2003 on-going administrative fees earned by the PHA:

1. For the first 600 units up to 7,200 unit months assisted in the PHA's Housing Choice Voucher Program, including project-based voucher and project-based certificate units administered by the PHA.

2. For the first 600 units up to 7,200 unit months assisted in the PHA's Moderate Rehabilitation Program including the Moderate Rehabilitation Single Room Occupancy Program.

How To Calculate the PHA's On-Going Administrative Fees Earned

The monthly on-going administrative fee is computed by multiplying the number of unit months that were under a housing assistance payments contract during FY 2003 by the monthly per unit on-going fee amount in column A (up to a maximum of 7,200 unit months during FY 2003). The maximum number of unit months for which the column A fee amount may be used depends on the PHA fiscal year-end.