

Depending on the PHA's fiscal year-end, a PHA must use the applicable maximum number of Column A unit months to calculate its total on-going administrative fee income for FY 2003:

PHA fiscal year end	Maximum number of unit months
December 31, 2002.	Up to 1,800 unit months.
March 31, 2003	Up to 3,600 unit months.
June 30, 2003 ..	Up to 5,400 unit months.
September 30, 2003.	Up to 7,200 unit months.

*Column B: On-going administrative fees for unit months in excess of the Column A unit months.* The amount in Column B is the monthly per unit fee amount used to compute the FY 2003 on-going administrative fees earned by the PHA for any unit months in excess of Column A unit months (not including unit months for any PHA-owned units). The PHA's total Column B fee income is computed by multiplying the applicable Column B amount times the number of excess unit months. Otherwise stated, the Column B amount is used to calculate the PHA's earned administrative fees for total FY 2003 unit months minus (1) the number of unit months for PHA-owned units, and (2) the number of Column A unit months.

*Column C: On-going administrative fees for PHA-owned units.* The administrative fee earned for administration of assistance in FY 2003 to families residing in PHA-owned dwelling units is calculated by multiplying the monthly per unit fee amount in Column C times the number of unit months leased in PHA-owned units. Column A and Column B fee amounts are not used for PHA-owned units.

*On-going administrative fees for units under portability.* The on-going administrative fee amounts used for reimbursing receiving PHAs for all

portable units will be determined by using the monthly per unit on-going administrative fee amounts in Column B for the initial PHA. The receiving PHA administering the portable housing choice voucher will receive 80 percent of the Column B amount and the initial PHA will receive 20 percent of the Column B amount, unless other amounts are otherwise agreed upon by both PHAs.

#### VII. Adjustment of Administrative Fees

The fiscal year 2003 appropriations act includes new fee requirements:

1. Prohibition of payment of administrative fees until PHAs report the balance of the administrative fee reserve account as of January 31, 2003, to HUD Headquarters.

2. Reduction of the annual administrative fee calculated for FY 2003 by the amount that exceeds 105 percent of the amount of fees that were made available to the PHA in FY 2002. This provision does not apply to PHA's whose FY 2003 administrative fees are \$100,000 or less.

For the purpose of determining funding levels, HUD will require updates of administrative fee and other costs data through an interim data collection tool. The office of the Assistant Secretary for Public and Indian Housing will issue an administrative notice to provide further guidance to PHAs on the new statutory fee reduction requirements.

#### VIII. Findings and Certifications

##### *Paperwork Reduction Act Statement*

The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520), and have been assigned OMB control number 2577–0149. An agency may not conduct or sponsor, and a person is not required to

respond to, a collection of information unless the collection displays a valid control number.

##### *Environmental Impact*

In accordance with 24 CFR 50.19(c)(6) of the HUD regulations, the policies and procedures contained in this notice set forth rate determinations and related external administrative requirements and procedures which do not constitute a development decision that affects the physical condition of specific project areas or building sites, and therefore are categorically excluded from the requirements of the national Environmental Policy Act.

##### **Executive Order 13132, Federalism**

Executive Order 13132 (captioned "Federalism") prohibits, to the extent practicable and permitted by law, an agency from promulgating a regulation that has federalism implications and either imposes substantial direct compliance costs on state and local governments and is not required by statute, or preempts state law, unless the relevant requirements of section 6 of the Executive Order are met. None of the provisions in this notice will have federalism implications and they will not impose substantial direct compliance costs on state and local governments or preempt state law within the meaning of the Executive Order. As a result, the notice is not subject to review under the Order.

##### *Catalog of Federal Domestic Assistance Number*

The Catalog of Federal Domestic Assistance Number for this program is 14.850.

Dated: April 24, 2003.

**Michael Liu,**

*Assistant Secretary for Public and Indian Housing.*

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