

## **HUD Holds SEMAP, Portability Reform Talks**

On March 2 and 3, 2010, HUD convened sessions on the Section Eight Management Assessment Program (SEMAP) and portability reform. The SEMAP issues and indicators upon which HUD focused included voucher and budget utilization rates, Housing Quality Standards (HQS), accuracy of calculation of Housing Assistance Payments, household income to rent burdens, and deconcentration. HUD focused portability reform discussions around challenges and improvements for voucher-assisted households and PHAs.

Milan Ozdinec, Deputy Assistant Secretary of Public Housing and Voucher Programs, said that HUD is examining the rudiments of the Housing Choice Voucher (HCV) program. Mr. Ozdinec talked about Congress providing HUD with \$100 million through the Transformation Initiative specifically for HCV Information Technology as part of its Business Process Reengineering (BPR) for Next Generation VMS, etc. He said that the funding shortfalls that occurred in 2009 were based on additional leasing in 2008 and HUD wants to prevent that from happening again.

Mr. Ozdinec said other parts of the HCV program need improvement. Mr. Ozdinec said that there are unintended consequences in SEMAP as currently constituted. He talked about the portability feature in HUD's Transforming Rental Assistance (TRA) proposal to Congress which would allow families to move from their former Public or Assisted Housing developments after 12-months in occupancy (See the Feb. 28 and March 15 issues of the *Monitor* for additional coverage of TRA). Mr. Ozdinec talked about how important the mobility option was to HUD, including Deputy Secretary Ron Sims who often talks about "Zip Codes of opportunity." Mr. Ozdinec said that this is not the last of the sessions HUD will do with PHAs and that there will probably be additional conversations with PHAs on SEMAP and portability. Mr. Ozdinec closed by saying, "At the end of the day, BPR will not work if it doesn't work for you."

Michael Dennis, Deputy Director of HUD's Office of Housing Voucher Program, said the purpose of this meeting is to hear from PHAs. He said, "We want to devote time to our partners, practitioners, and industry leaders. Many of you have a pretty good idea of how to fix it. The formality of rulemaking tends to lose the substance of a direct conversation and help solve some issues we don't know that we may have. Portability has had longstanding problems. SEMAP is not necessary a reflection of PHAs' current performance. SEMAP is more process oriented instead of results oriented. We would like to know if our procedures creating barriers to portability. Have we made this such a maze of bureaucratic procedures that it is difficult for families? What is it we can do right now to make this a better process. We are not trying to come to a consensus but to have a conversation." Mr. Dennis said that at the end of this process HUD would publish proposed rule(s) on SEMAP and portability for comment.

*HUD Summarizes Two-Day Session on SEMAP and Portability Reform:* Mr. Dennis summarized the two days of discussion around SEMAP and portability reform by saying that he and other HUD staff would read a list of common points made by all of the invited PHAs on each topic. Mr. Dennis reiterated that this was not a consensus approach but rather a series of good ideas that they would run up the flag pole at HUD for further consideration. Mr. Dennis said that this was the first of several meetings and consultations with PHAs on these topics.

The list at the link below was read aloud by HUD staff at the end of the two days, and *does not* include *all* of the recommendations PHAs made throughout the two days at HUD, but rather the list that HUD read to PHAs. In a future issue of the *Monitor*, NAHRO will provide a much more detailed summary of the entire proceedings on SEMAP and portability reform. A detailed summary of the common reform recommendations from the second day is available at [http://www.nahro.org/members/news/2010/port\\_semap\\_list.pdf](http://www.nahro.org/members/news/2010/port_semap_list.pdf).

*PHA and PHA Industry Participants:* HUD's list of PHA invitees is accessible at <http://www.nahro.org/members/news/2010/invitees.pdf>. Office holders with National NAHRO's leadership, as well as PHA members deeply involved in policy issues within their respective states and regions, were invited to participate in HUD's sessions. NAHRO, PHADA and National Leased Housing Association representatives participated in the discussions.

*NAHRO's Existing SEMAP and Portability Reform Recommendations:* NAHRO's previous reform recommendations on SEMAP and portability reform were provided to HUD officials during the proceedings, which include:

\* NAHRO's recommendations for regulatory and administrative reforms for the HCV program, which includes our proposal to improve upon the current portability billing system using the Voucher Management System (VMS). NAHRO's portability proposal was developed by our Housing Committee by small, medium and large PHAs in urban, suburban and rural housing markets and was passed by our Board of Governors unanimously. Other sections of the document contain NAHRO's recommendations to improve SEMAP (<http://www.nahro.org/members/news/2005/HUDActNow.pdf>).

\* A letter from NAHRO to HUD with detailed recommendations on reforming SEMAP ([http://www.nahro.org/members/news/2010/30\\_SEMAPletter.pdf](http://www.nahro.org/members/news/2010/30_SEMAPletter.pdf)); and

\* A letter from NAHRO to HUD regarding PIC discrepancy summary reports with VMS, relating to HUD's assessment of PHAs' PIC reporting rates for SEMAP ratings and administrative fee purposes ([http://www.nahro.org/members/news/2010/0808\\_picsemap.pdf](http://www.nahro.org/members/news/2010/0808_picsemap.pdf)).

*NAHRO Encourages Members to Share Your Reform Recommendations with Us:* NAHRO encourages its members to share your SEMAP and portability reform recommendations with us. Please e-mail Jonathan Zimmerman, Senior Policy Advisor - Housing Assistance Programs at [jzimmerman@nahro.org](mailto:jzimmerman@nahro.org). In addition to providing formal written comment letters once HUD has issued proposed rules, in the near future NAHRO will package information on our members' additional reform recommendations to the Department and Congress following the convening of our Housing Committee and Board of Governors in Washington, DC during our 2010 Legislative Conference.