

Section 8 Portability A Recommended Procedure For Successful PIC Processing

When a Section 8 voucher holder ports out of one PHA (the “initial agency”) and into another PHA (the “receiving agency”), the PIC record chase is on. The correct transaction type for the 50058 records that must be submitted to PIC by the initial agency and the receiving agency depends primarily on whether the family is receiving subsidy from the initial agency at the time it ports out.

Case 1: The Family Is Receiving Subsidy

If the family is receiving subsidy at the time it ports out, the initial agency will submit a Transaction 5 – Port Out record to PIC and the receiving agency will submit a Transaction 4 – Port In record. This is true whether the receiving agency elects to administer the subsidy and bill it to the initial agency or absorb the subsidy.

The problem with this simple scheme is that those transactions can conflict with one another if the records are not submitted in the correct order and with correct effective dates. In order to avoid the conflicts, use the following rules:

1. The Transaction 5 – Port Out record must be submitted and accepted by PIC prior to the related Transaction 4 – Port In record.
2. The effective date of the Transaction 5 – Port Out record must be earlier than the effective date of the Transaction 4 – Port In record.

If the Port Out record is submitted to PIC before the Port In record, and if the effective date of the Port Out is earlier than the effective date of the Port In, the records will be accepted and the system will work as designed.

If, however, PIC receives the Port In record before the Port Out record, it will accept the Port In and automatically move the family from the initial agency to the receiving agency in the PIC system. But PIC will also reject the later submitted Port Out record because the family is no longer housed in the initial agency as far as the PIC system is concerned.

PIC also will accept the effective date of whatever transaction is submitted first. But in order to successfully submit a Port In record after a Port Out record is submitted, the effective date of the Port In must be later than the effective date of the Port Out.

Case 2: The Family Has Not Received Subsidy From Initial PHA

If the family has not received subsidy from the initial agency at the time it ports out, the PIC rules are a little different. In that circumstance, the initial agency may submit a Transaction 10 – Issuance of Voucher record to PIC, but the receiving agency must submit a Transaction 1 – New Admission for the admission to its program.

This rule applies only if the family never received subsidy from the initial agency. If the family received subsidy from the initial agency at some point in the past (e.g., the family moved and gave up its subsidy from the initial agency while it was searching), the family

is considered as subsidized and the family must be ported out of the initial agency and ported in to the receiving agency.

Coordination Between Agencies

Following the above rules alone will not always address the potential conflicts in PIC. Coordination between the initial and receiving agencies is also necessary to successfully process portability transactions with PIC. The following recommendations provide guidance for agencies on how to avoid the problems inherent in Section 8 portability transactions and PIC.

From the Perspective of the Initial Agency

I. If the family is housed or has received subsidy at the time of the port out, do the following:

- ✓ Prepare a HUD Form 52665 (Family Portability Information, Part I) and transmit it to the receiving agency along with a copy of the voucher, the current 50058 and supporting verification information when the portability voucher is issued.
- ✓ Determine as early as possible whether the receiving agency will absorb or bill the subsidy and, if billed, what the subsidy will be.
- ✓ Submit a Transaction 5 – Port Out to PIC as soon as you are notified that the family is housed at the receiving agency with your voucher so the receiving agency can submit a Port In record for the family.
- ✓ Coordinate the 50058 submission to PIC with the receiving agency so that 1) the Port Out transaction is submitted before the Port In transaction and 2) the Port Out transaction has an effective date that is prior to the effective date of the Port In.
- ✓ If the voucher expires, contact the receiving agency to determine whether it issued its own voucher (which effectively extends the voucher).
- ✓ If the voucher expires and the family will not be housed by the receiving agency, submit a Transaction Code 6 – End of Participation to PIC.

II. If the family has not received subsidy at the time of the port out, do the following:

- ✓ Prepare a HUD Form 52665 (Family Portability Information, Part I) and transmit it to the receiving agency along with a copy of the voucher and supporting verification information when the portability voucher is issued.
- ✓ Determine as early as possible whether the receiving agency will absorb or bill the subsidy and, if billed, what the subsidy will be.
- ✓ You may submit a Transaction 10 – Issuance of Voucher to PIC
- ✓ If the voucher expires, contact the receiving agency to determine whether it issued its own voucher (which effectively extends the voucher).
- ✓ If the voucher expires, submit a Transaction 11 – Expiration of Voucher to PIC
- ✓ If the family is housed, no need to submit any other transaction to PIC

From the Perspective of the Receiving Agency

I. If the family is housed or has received subsidy at the time of the port out, do the following:

- ✓ Contact the initial agency immediately upon receiving notice that the family with a portable voucher plans to seek housing in your jurisdiction, but no later than the time you approve the lease.
- ✓ Immediately advise the initial agency whether the voucher subsidy will be absorbed or billed and, if billed, provide an estimate of the monthly billing.
- ✓ Prepare HUD Form 52665 (Family Portability Information, Part II) and transmit it to the initial agency within 10 days of the move in.
- ✓ Coordinate the submission of a Transaction 4 – Port In record to PIC for the port in:
 - The Effective Date of the Port In must be later than the Effective Date of the Port Out record submitted to PIC by the initial agency
 - If you submit the Port In record before the initial agency submits the Port Out record, the Port Out record will be rejected

II. If the family has not received subsidy at the time of the port out, do the following:

- ✓ Contact the initial agency immediately upon receiving notice that the family with a portable voucher plans to seek housing in your jurisdiction, but no later than the time you approve the lease.
- ✓ Immediately advise the initial agency whether the voucher subsidy will be absorbed or billed and, if billed, provide an estimate of the monthly billing.
- ✓ Prepare HUD Form 52665 (Family Portability Information, Part II) and transmit it to the initial agency within 10 days of the move in.
- ✓ Submit a Transaction 1 – New Admission to PIC for the move in.