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Medical

Book I

Title 38, Parts 17, 46, 47, 51–53,
58–64, 70, 71, and 200

Supplement No. 124

Covering period of *Federal Register* issues
through September 1, 2019

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GENERAL INSTRUCTIONS

Custom Federal Regulations Service™

Supplemental Materials for *Book I*

Code of Federal Regulations

Title 38, Parts 17, 46, 47, 51–53, 58–64, 70, 71, and 200

Medical

Supplement No. 124

5 September 2019

Covering the period of Federal Register issues
through September 1, 2019

When **Book I** was originally prepared, it was current through final regulations published in the *Federal Register* of 15 January 2000. These supplemental materials are designed to keep your regulations up to date. You should file the attached pages immediately, and record the fact that you did so on the *Supplement Filing Record* which is at page I-8 of Book I, *Medical*.

**To ensure accuracy and timeliness of your materials,
it is important that you follow these simple procedures:**

1. Always file your supplemental materials immediately upon receipt.
2. Before filing, always check the Supplement Filing Record (page I-8) to be sure that all prior supplements have been filed. If you are missing any supplements, contact the Veterans Benefits Administration at the address listed on page I-2.
3. After filing, enter the relevant information on the Supplement Filing Record sheet (page I-8)—the date filed, name/initials of filer, and date through which the *Federal Register* is covered.
4. If as a result of a failure to file, or an undelivered supplement, you have more than one supplement to file at a time, be certain to file them in chronological order, lower number first.
5. Always retain the filing instructions (simply insert them at the back of the book) as a backup record of filing and for reference in case of a filing error.
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To execute the filing instructions, simply remove *and throw away* the pages listed under *Remove These Old Pages*, and replace them in each case with the corresponding pages from this supplement listed under *Add These New Pages*. Occasionally new pages will be added without removal of any old material (reflecting new regulations), and occasionally old pages will be removed without addition of any new material (reflecting rescinded regulations)—in these cases the word *None* will appear in the appropriate column.

FILING INSTRUCTIONS

**Book I, Supplement No. 124
September 5, 2019**

*Remove these
old pages*

*Add these
new pages*

*Section(s)
Affected*

**Do not file this supplement until you confirm that
all prior supplements have been filed**

62.34-1 to 62.34-4

62.34-1 to 62.34-6

§§62.34

**Be sure to complete the
Supplement Filing Record (page I-9)
when you have finished filing this material.**

HIGHLIGHTS

Book I, Supplement No. 124 September 5, 2019

Supplement Highlights references: Where substantive changes are made in the text of regulations, the paragraphs of *Highlights* sections are cited at the end of the relevant section of text. Thus, if you are reading §17.100, you will see a note at the end of that section which reads: “Supplement *Highlights* references—37(1).” This means that paragraph 1 of the *Highlights* section in Supplement No. 37 contains information about the changes made in §17.100. By keeping and filing the *Highlights* sections, you will have a reference source explaining all substantive changes in the text of the regulations.

Supplement frequency: Beginning 1 January 2000, supplements for this Book I will be issued *every month* during which a final rule addition or modification is made to the parts of Title 38 covered by this book. Supplements will be numbered consecutively as issued.

Modifications in this supplement include the following:

1. On 28 August 2019, the VA published a final rule effective 27 September 2019, to amend its regulations that govern the Supportive Services for Veteran Families (SSVF) Program. This final rule will enable grantees to augment available housing options for homeless veterans in high rent burden communities by increasing the rental assistance for up to two years before recertification. Conditions in some local housing markets such as low vacancy rates and higher costs have made it increasingly difficult to recruit landlords and help homeless veteran families find and sustain permanent housing. Providing enhanced rental assistance in these communities is necessary to help VA progress in its goal to end veteran homelessness. Changes:

- In §62.34 revised paragraph (a)(6) and added paragraph (a)(8).

§62.34 Other supportive services.

Grantees may provide the following services which are necessary for maintaining independent living in permanent housing and housing stability:

(a) *Rental assistance.* Payment of rent, penalties or fees to help the participant remain in permanent housing or obtain permanent housing.

(1) A participant may receive rental assistance for a maximum of 10 months during a 2-year period (consecutive or nonconsecutive), such period beginning on the date that the grantee first pays rent on behalf of the participant; however, a participant cannot receive rental assistance for more than 6 months in any 12-month period beginning on the date that the grantee first pays rent on behalf of the participant. For extremely low-income veteran families, payments for rent cannot exceed 9 months in any 12-month period and 12 months during a 2-year period, such period beginning on the date that the grantee first pays rent on behalf of the participant. The rental assistance may be for rental payments that are currently due or are in arrears, and for the payment of penalties or fees incurred by a participant and required to be paid by the participant under an existing lease or court order. In all instances, rental assistance may only be provided if the payment of such rental assistance will directly allow the participant to remain in permanent housing or obtain permanent housing.

(2) Rental assistance must be paid by the grantee directly to the third party to whom rent is owed.

(3) As a condition of providing rental assistance, the grantee must help the participant develop a reasonable plan to address the participant's future ability to pay rent. Grantees must assist the participant to implement such plan by providing any necessary assistance or helping the participant to obtain any necessary public or private benefits or services.

(4) The rental assistance paid by a grantee must be in compliance with the following "rent reasonableness" standard. "Rent reasonableness" means the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the property owner during the same time period for comparable non-luxury unassisted units. To make this determination, the grantee should consider:

(i) The location, quality, size, type, and age of the unit; and

(ii) Any amenities, housing services, maintenance, and utilities to be provided by the property owner. Comparable rents can be checked by using a market study, by reviewing comparable units advertised for rent, or using a note from the property owner verifying the comparability of charged rents to other units owned by the property owner. Prior to providing rental assistance in the form of payment of penalties or fees incurred by a participant, the grantee must determine that such penalties or fees are reasonable.

(5) With respect to shared housing arrangements, the rent charged for a participant must be in relation to the size of the private space for that participant in comparison to other private space in the shared unit, excluding common space. A participant may be assigned a pro rata portion based on the ratio derived by dividing the number of bedrooms in their private space by the number of bedrooms in the unit. Participation in shared housing arrangements must be voluntary.

(6) Rental assistance payments cannot be provided on behalf of participants for the same period of time and for the same cost types that are being provided through another Federal housing subsidy program; however, such payments may be provided even though the participant is receiving State and local housing subsidy funds as long as the total subsidy received (including payments under this section) does not exceed the rent.

(7) Grantees may require participants to share in the cost of rent as a condition of receiving rental assistance.

(8) Extremely low-income veteran families and very low-income veteran families who meet the criteria of §62.11 may be eligible to receive a rental subsidy for a 2-year period without recertification. The applicable counties will be published annually in the *Federal Register*. A family must live in one of these applicable counties to be eligible for this subsidy. The counties will be chosen based on the cost and availability of affordable housing for both individuals and families within that county. The maximum amount of this rental subsidy is 35 percent of the applicable Fair Market Rent (FMR) published by HUD. Grantees must collaborate with their local Continuum of Care (CoC) as defined at 24 CFR 578.3 to determine the proper subsidy amounts to be used by all grantees in each applicable county. Grantees must provide a letter of support from their local CoC to the SSVF Program Office when requesting VA approval of this subsidy. The SSVF Program Office must approve all subsidy requests before the subsidy is used. Very low-income veteran families may receive this subsidy for a period of two years before certification minus the number of months in which the recipient received the rental assistance provided under paragraph (a)(1) of this section. Extremely low-income veteran families may receive this subsidy for up to a 2-year period before recertification following receipt of the paragraph (a)(1) rental assistance. For any month, the total rental payments provided to a family under this paragraph cannot be more than the total amount of rent. Payment of this subsidy by a grantee must conform to the requirements set forth in paragraphs (a)(2) through (7) of this section. The rental subsidy amount will not change for the veteran family in the second year of the two-year period, even if the annual amount published changes. A veteran family will not need to be recertified as a very low-income veteran family as provided for by §62.36(a) during the initial two-year period. After an initial two-year period, a family receiving this subsidy, or a combination of the rental assistance under paragraph (a)(1) and this subsidy, may continue to receive rental payments under this section, but would require recertification at that time and once every two years

(b) *Utility-fee payment assistance.* Payment of utility fees to help the participant to remain in permanent housing or obtain permanent housing.

(1) A participant may receive payments for utilities for a maximum of 10 months during a 2-year period, such period beginning on the date that the grantee first pays utility fees on behalf of the participant; provided, however, that a participant cannot receive payments for utilities for more than 6 months in any 12-month period beginning on the date that the grantee first pays a utility payment on behalf of the participant. For extremely low-income veteran families, payments for utilities cannot exceed 9 months in any 12-month period and 12 months during a 2-year period, such periods beginning on the date that the grantee first pays a utility payment on behalf of the participant. The payment for utilities may be for utility payments that are currently due or are in arrears, provided that the payment of such utilities will allow the participant to remain in permanent housing or obtain permanent housing.

(2) Payments for utilities must be paid by the grantee directly to a utility company. Payments for utilities only will be available if a participant, a legal representative of the participant, or a member of his/her household, has an account in his/her name with a utility company or proof of responsibility to make utility payments, such as cancelled checks or receipts in his/her name from a utility company.

(3) As a condition of providing payments for utilities, the grantee must help the participant develop a reasonable plan to address the participant's future ability to pay utility payments. Grantees must assist the participant to implement such plan by providing any necessary assistance or helping the participant to obtain any necessary public or private benefits or services.

(4) Payments for utilities cannot be provided on behalf of participants for the same period of time and for the same cost types that are being provided through another Federal, State, or local program.

(5) Grantees may require participants to share in the cost of utility payments as a condition of receiving payments for utilities.

(c) *Deposits.* Payment of security deposits or utility deposits to help the participant remain in permanent housing or obtain permanent housing.

(1) A participant may receive assistance with the payment of a security deposit a maximum of one time in every 2-year period, such period beginning on the date the grantee pays a security deposit on behalf of a participant.

(2) A participant may receive assistance with the payment of a utility deposit a maximum of one time in every 2-year period, such period beginning on the date the grantee pays a utility deposit on behalf of a participant.

(3) Any security deposit or utility deposit must be paid by the grantee directly to the third party to whom the security deposit or utility deposit is owed. The payment of such deposit must allow the participant to remain in the participant's existing permanent housing or help the participant to obtain and remain in permanent housing selected by the participant.

(4) As a condition of providing a security deposit payment or a utility deposit payment, the grantee must help the participant develop a reasonable plan to address the participant's future housing stability. Grantees must assist the participant to implement such plan by providing any necessary assistance or helping the participant to obtain any necessary public or private benefits or services.

(5) Security deposits and utility deposits covering the same period of time in which assistance is being provided through another housing subsidy program are eligible, as long as they cover separate cost types.

(6) Grantees may require participants to share in the cost of the security deposit or utility deposit as a condition of receiving assistance with such deposit.

(d) *Moving costs.* Payment of moving costs to help the participant to obtain permanent housing.

(1) A participant may receive assistance with moving costs a maximum of one time in every 3-year period, such period beginning on the date the grantee pays moving costs on behalf of a participant.

(2) Moving costs assistance must be paid by the grantee directly to a third party. Moving costs assistance includes reasonable moving costs, such as truck rental, hiring a moving company, or short-term storage fees for a maximum of 3 months or until the participant is in permanent housing, whichever is shorter.

(3) As a condition of providing moving costs assistance, the grantee must help the participant develop a reasonable plan to address the participant's future housing stability. Grantees must assist the participant to implement such plan by providing any necessary assistance or helping the participant to obtain any necessary public or private benefits or services.

(4) Moving costs assistance payments cannot be provided on behalf of participants for the same period of time and for the same cost types that are being provided through another Federal, State, or local program.

(5) Grantees may require participants to share in the cost of moving as a condition of receiving assistance with moving costs.

(e) *General housing stability assistance.*

(1) A grantee may provide to a participant items necessary for a participant's life or safety on a temporary basis, in order to address a participant's emergency situation.

(2) A grantee may pay directly to a third party (and not to a participant), in an amount not to exceed \$1,500 per participant during any 2-year period, beginning on the date that the grantee first submits a payment to a third party, the following types of expenses:

(i) Expenses associated with gaining or keeping employment, such as obtaining uniforms, tools, certifications, and licenses.

(ii) Expenses associated with moving into permanent housing, such as obtaining basic kitchen utensils, bedding, and other supplies.

(iii) Expenses necessary for securing appropriate permanent housing, such as fees for housing applications, housing inspections, or background checks.

(3) A grantee may pay directly to a third party (and not to a participant) a reasonable amount for a broker's fee when such a third party has assisted in identifying permanent housing. The reasonableness of a fee will be determined based on conditions in the local housing market.

(f) *Emergency housing assistance.* If permanent housing, appropriate shelter beds and transitional housing are not available and subsequent rental housing has been identified generally but is not immediately available for move-in by the participant, then a grantee may place a participant in emergency housing, subject to the following limitations:

(1) Placement for a single veteran may not exceed 72 hours, unless the grantee can certify that appropriate shelter beds and transitional housing are still unavailable at the end of the 72 hour period.

(2) Placement for a veteran and his or her spouse with dependent(s) may not exceed 45 days.

(3) A participant may be placed in emergency housing only once during any 2-year period, beginning on the date that the grantee first pays for emergency housing on behalf of the participant.

(4) Permanent housing will be available before the end of the period during which the participant is placed in emergency housing.

(5) The cost of the emergency housing must be reasonable in relation to the costs charged for other available emergency housing considering the location, quality, size, and type of the emergency housing.

(g) *Other*. Other services as set forth in the Notice of Fund Availability or as approved by VA that are consistent with the Supportive Services for Veteran Families Program. Applicants may propose additional services in their supportive services grant application, and grantees may propose additional services by submitting a written request to modify the supportive services grant in accordance with §62.60. (Authority: 38 U.S.C. 501, 2044)

[75 FR 68979, Nov. 10, 2010; as amended at 80 FR 9611, Feb. 24, 2015; 84 FR 45077, Aug. 28, 2019]

Supplement *Highlights* references: 58(1), 91(1), 124(1).

[Reserved]