

housing assistance payments, termination of housing assistance payments, and termination of the HAP contract.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999; 64 FR 56914, Oct. 21, 1999; 65 FR 16821, Mar. 30, 2000]

**§ 982.454 Termination of HAP contract: Insufficient funding.**

The PHA may terminate the HAP contract if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999]

**§ 982.455 Automatic termination of HAP contract.**

The HAP contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

[64 FR 26647, May 14, 1999]

**§ 982.456 Third parties.**

(a) Even if the family continues to occupy the unit, the PHA may exercise any rights and remedies against the owner under the HAP contract.

(b)(1) The family is not a party to or third party beneficiary of the HAP contract. Except as provided in paragraph (b)(2) of this section, the family may not exercise any right or remedy against the owner under the HAP contract.

(2) The tenant may exercise any right or remedy against the owner under the lease between the tenant and the owner, including enforcement of the owner's obligations under the tenancy addendum (which is included both in the HAP contract between the PHA and the owner; and in the lease between the tenant and the owner.)

(c) The HAP contract shall not be construed as creating any right of the family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the PHA or the owner under the HAP contract.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26647, May 14, 1999]

**Subpart K—Rent and Housing Assistance Payment**

SOURCE: 63 FR 23861, Apr. 30, 1998, unless otherwise noted.

**§ 982.501 Overview.**

(a) This subpart describes program requirements concerning the housing assistance payment and rent to owner. These requirements apply to the Section 8 tenant-based program.

(b) There are two types of tenancies in the Section 8 tenant-based program:

(1) A tenancy under the voucher program.

(2) A tenancy under the certificate program (commenced before merger of the certificate and voucher programs on the merger date).

(c) Unless specifically stated, requirements of this part are the same for all tenancies. Sections 982.503, 982.504, and 982.505 only apply to a voucher tenancy. Sections 982.518, 982.519, and 982.520 only apply to a tenancy under the certificate program.

[64 FR 26647, May 14, 1999, as amended at 65 FR 42509, July 10, 2000]

**§ 982.502 Conversion to voucher program.**

(a) *New HAP contracts.* On and after the merger date, the PHA may only enter into a HAP contract for a tenancy under the voucher program, and may not enter into a new HAP contract for a tenancy under the certificate program.

(b) *Over-FMR tenancy.* If the PHA had entered into any HAP contract for an over-FMR tenancy under the certificate program prior to the merger date, on and after the merger date such tenancy shall be considered and treated as a tenancy under the voucher program, and shall be subject to the voucher program requirements under this part, including calculation of the voucher housing assistance payment in accordance with § 982.505. However, § 982.505(b)(2) shall not be applicable for calculation of the housing assistance payment prior to the effective date of the second regular reexamination of family income and composition on or after the merger date.