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AUTHORITY: 42 U.S.C. 1437f and 3535(d).

SOURCE: 60 FR 34717, July 3, 1995, unless otherwise noted.

Subpart A—General Information**§ 983.1 Purpose and applicability.**

(a) This part 983 applies to the Section 8 Project-based Certificate (PBC) program.

(b)(1) Except as otherwise expressly modified or excluded by this part 983, provisions of 24 CFR part 982 apply to the PBC program.

(2) The following provisions of 24 CFR part 982 do not apply to the PBC program:

- (i) Provisions on tenant-based assistance, on issuance or use of a voucher or certificate; and on portability;
 (ii) Provisions on voucher tenancy or over-FMR tenancy;

(iii) In subpart D, § 982.158(e) (retention of lease, HAP contract and family application);

(iv) In subpart E, § 982.202(b)(3) (where family will live); § 982.204(d) (family size); § 982.205(a) (waiting lists);

(v) Subpart G, except that the following provisions of subpart G are applicable to the PBC Program: § 982.308 (lease); § 982.311(a), (b), (c) and (d)(1) (when assistance is paid); § 982.312 (absence from unit); and § 982.313 (security deposit);

(vi) Subpart H (where family can live and move);

(vii) In subpart I of this part, § 982.401(j) (lead-based paint requirements); § 982.402(a)(3), § 982.402(c) and (d) (Subsidy standards); and § 982.403 (Terminating HAP contract when unit is too small);

(viii) In subpart J, § 982.451(a), § 982.451(b)(2) (term of HAP contract same as lease); § 982.454 (termination of HAP contract because of insufficient funding); § 982.455 (termination of HAP contract; termination notice);

(ix) Subpart K, except that the following provisions of Subpart K are applicable to the PBC Program: § 982.504 (for determination of the FMR/exception rent limit); § 982.516 (family income and composition; regular and interim examinations), § 982.517 (utility allowance schedule);

(x) In subpart M, all provisions authorizing assistance for shared housing (including § 982.615 through § 982.618); or assistance for a family occupying a manufactured home (including § 982.620 through § 982.624).

(3) This part does not apply to the voucher program, or to an over-FMR tenancy under the certificate program. Every tenancy assisted in the PBC program is a regular tenancy under the certificate program.

[63 FR 23870, Apr. 30, 1998, as amended at 64 FR 50230, Sept. 15, 1999; 65 FR 16819, 16823, Mar. 30, 2000]

§ 983.2 Additional definitions.

The following definitions apply to assistance subject to this part 983, in addition to the definitions in 24 CFR 982.4:

Agreement to enter into housing assistance payments contract ("Agreement"). A written agreement between the owner

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and the HA that, upon satisfactory completion of the new construction or the rehabilitation in accordance with requirements specified in the Agreement, the HA will enter into a HAP contract with the owner.

15-percent limit. Fifteen percent of the total number of budgeted units for an HA's Section 8 certificate program.

Funding source. The ACC funding authority from which the HAP contract is to be funded. Each funding increment identified in the ACC is a separate, potential funding source.

Percent limit. The applicable maximum number of budgeted units for an HA's certificate program that may be project-based. (The applicable percent limit is either the 15-percent limit or the 30-percent limit.)

Project-based Certificate (PBC) program. A Section 8 program administered by an HA pursuant to 24 CFR part 983.

Repair or replacement of a major building system or component. The complete electrical rewiring of a unit; the installation of new plumbing supply or waste pipes in a unit; the installation of a new heating distribution system, including piping and ductwork, or the installation of a new boiler or furnace; the installation of a new roof; or the replacement or major repair of exterior structural elements which are essential to achieve a stable general condition with no threat of further deterioration.

State certified appraiser. Any individual who satisfies the requirements for certification as a certified general appraiser in a State that has adopted criteria that currently meet or exceed the minimum certification criteria issued by the Appraiser Qualifications Board of the Appraisal Foundation. The State criteria must include a requirement that the individual have achieved a satisfactory grade upon a State-administered examination consistent with and equivalent to the Uniform State Certification Examination issued or endorsed by the Appraiser Qualifications Board of the Appraisal Foundation. Furthermore, if the Appraisal Foundation has issued a finding that the policies, practices, or procedures of the state are inconsistent with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989,

an individual must comply with any additional standards for state certified appraisers imposed by HUD under 24 CFR 267.11(c)(1).

30-Percent limit. Thirty percent of the total number of budgeted units for a HA's Section 8 certificate program.

[60 FR 34717, July 3, 1995, as amended at 63 FR 23870, Apr. 30, 1998]

§ 983.3 Information to be submitted to HUD by the HA concerning its plan to attach assistance to units.

(a) *Requirements.* An HA may attach certificate assistance to units in accordance with this part 983 if:

(1) The number of units to be project-based does not exceed the applicable percent limit.

(2) The number of units to be project-based are not under a tenant-based or project-based HAP contract or otherwise committed (e.g., certificates issued to families searching for housing or units under an Agreement).

(b) *Percent limit.* The applicable percent limit is either the 15-percent limit or the 30-percent limit. The 30-percent limit is only applicable if:

(1) There are no project-based new construction units in the HA's certificate program;

(2) The additional 15 percent of project-based units (in excess of the 15-percent limit) is for the rehabilitation of units in projects assisted under a State program that permits owners to prepay State-assisted or subsidized mortgages; and

(3) The additional 15 percent of project-based units is necessary to provide incentives for project owners to preserve the projects for occupancy by low and moderate income families for the term of the HAP contract, and assist low-income tenants to afford any rent increases.

(c) *HA notification to HUD of intent to attach assistance to units.* Before implementing a PBC program, the HA must submit the following information to the HUD field office for review:

(1) The total number of units for which the HA is requesting approval to attach assistance;

(2) The number of budgeted certificate units;

(3) The number of certificate units available to be project-based; i.e., the