

5718 EARNED INCOME DISREGARD

5718.1 Definitions. The following definitions apply for purposes of this section.

- (a) Baseline income. The annual income immediately prior to implementation of the disallowance described in Subsection 5718.3 of this section of a person who is a member of a qualified family.
- (b) Disallowance. Exclusion from annual income.
- (c) Previously unemployed includes a person who has earned, in the twelve months prior to employment, no more than would be received for ten (10) hours of work per week for fifty (50) weeks at the established minimum wage.

5718.2 Qualified family. A family residing in public housing:

- (a) Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;
- (b) Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
- (c) Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance -- provided that the total amount over a six-month period is at least five hundred dollars (\$ 500).

5718.3 Disallowance of earned income

- (a) Initial twelve (12)-month exclusion. During the 12-month period beginning on the date on which a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from the annual income of a qualified family any increase in the income of the family

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member as a result of employment over the baseline income of that family member.

- (b) Phase-in of rent increase. Upon the expiration of the 12-month period defined in paragraph (a) of this subsection and for the subsequent 12-month period, the PHA must exclude from the annual income of a qualified family at least fifty percent (50%) of any increase in income of such family member as a result of employment over the family member's baseline income.
- (c) Maximum two (2)-year disallowance. The disallowance of increased income of an individual family member as provided in paragraph (a) or (b) of this subsection is limited to a lifetime twenty-four (24)-month period. It applies for a maximum of twelve (12) months for disallowance under paragraph (a) of this subsection and a maximum of 12 months for disallowance under paragraph (b) of this subsection, during the 24-month period starting from the initial exclusion under paragraph (a) of this subsection.
- (d) No rent phase in. Upon the expiration of the Earned Income Disregard, the rent adjustment shall not be subject to rent phase-in. Instead, rent will automatically rise to the appropriate level.

5718.4 Inapplicability to admission. The disallowance of increases in income as a result of employment under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).

SOURCE: Final Rulemaking at 64 DCR 12956 (December 22, 2017); as amended by Final Rulemaking published at 66 DCR 6831 (June 7, 2019).