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HUD Issues Final Section 8 Regulations Counting Non-tuition Stipends as Income

On December 30, HUD issued final regulations that restrict use of Section 8 by student athletes who have scholarships with housing stipends. As previously reported (see *Memo*, 12/23), a number of athletes receive housing stipends as part of their scholarships, yet pay little or no rent while living in Section 8 housing. Senator Tom Harkin (D-IA) inserted language in the FY06 HUD appropriations bill that closes loopholes allowing this misuse. The FY06 bill's instructions required HUD to issue final regulations within 30 days of the new law's enactment.

The law and new regulations prohibit Section 8 assistance to any student who is under the age of 24, unmarried, without a dependent child, not a veteran, and not income-eligible. When considering income, a student's parents' income is counted. Annual income includes any financial assistance in excess of amounts received for tuition, except for persons over the age of 23 with dependent children.

The new regulations go into effect on January 30, and are available at www.hudclips.org.