Family Self-Sufficiency Program - HUD

Categories : Housing, Income Assistance

The following is summarized from “The Family Self-Sufficiency Program: HUD’s Best Kept Secret for Promoting Employment and Asset Growth” by the Center on Budget and Policy Priorities, and Family Self-Sufficiency: United States Department of Housing and Urban Development.

WHAT IS THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM?

The Family Self-Sufficiency (FSS) program is a United States Department of Housing and Urban Development (HUD) employment and savings incentive program for low-income families who have a Housing Choice Voucher (HCV), a.k.a. Section 8, or live in public housing. It consists both of case management services that help participants pursue employment and other goals, and of escrow accounts into which the public housing agency (PHA) deposits the increased rental charges that a family pays as its earnings rise. Families that complete the program may withdraw funds from these accounts for any purpose after five years. Public housing agencies (PHAs) work with social service agencies, schools, businesses, and other local partners to develop a comprehensive program that gives participating FSS family members the skills and experience to enable them to obtain employment that pays a living wage.

WHO ADMINISTERS THE FSS PROGRAM?

The FSS program is administered locally by public housing agencies (PHAs), which may include Housing Authorities and agencies that issue Section 8 vouchers.

WHO IS ELIGIBLE?

The FSS program is available to public housing residents, Housing Choice Voucher program (a.k.a. Section 8) participants, residents of NAHASDA-assisted housing, and, recently, residents of project-based rental assistance projects.

HOW DO FAMILIES APPLY TO THE FSS PROGRAM?

Families that meet the eligibility criteria for the FSS program should ask their housing agency about participation in the FSS program, if the agency offers one.

HOW ARE FAMILIES SELECTED FOR THE FSS PROGRAM?

PHAs can give a selection preference to eligible families with one or more family member enrolled in, or on the waiting list for, an FSS-related service or job placement program. For all other selections, the PHA must use an objective system, such as a lottery. PHAs may screen applicants for interest and motivation to participate in FSS, but may not screen for education, job history, credit rating, marital status, or number of children.

CAN FAMILIES BE REQUIRED TO PARTICIPATE IN FSS?

No. Participation of families in the FSS program is voluntary.

WHAT SERVICES ARE PROVIDED THROUGH THE FSS PROGRAM?

Services include case management services that help participants pursue employment and other goals, and an escrow account into which the public housing agency (PHA) deposits the increased rental charges that a family pays as its earnings rise. Families that complete the program may withdraw funds from these accounts for any purpose after five years. FSS program coordinators insure that FSS program participants are linked to the supportive services they need to achieve economic self-sufficiency. Case management services may include, but are not limited to:

- Child Care
- Transportation
- Education
- Job Training and Employment Counseling
- Financial Literacy
- Homeownership Counseling

WHAT REQUIREMENTS MUST A FAMILY MEET TO PARTICIPATE IN THE FSS PROGRAM?

The PHA and the head of each participating family execute an FSS contract of participation that specifies the rights and responsibilities of both parties. The 5-year FSS contract specifies goals and services for each family. Family members must fulfill all requirements in order to obtain full benefits. The FSS contract requires that the family comply with the lease, that all family members become independent of public assistance, and that the head of the family seek and maintain suitable employment. Possible sanctions for noncompliance with the FSS contract are termination from the FSS program, forfeiture of the FSS escrow account, withholding or termination of supportive services, and termination of housing assistance.

WHAT IS THE FSS ESCROW ACCOUNT?

An interest-bearing FSS escrow account is established by the PHA for each participating family. An escrow credit, based on increases in earned income of the family, is credited to this account by the PHA during the term of the FSS contract. The PHA may make a portion of this escrow account available to the family during the term of the contract to enable the family to complete an interim goal such as education. If the family completes the contract and no member of the family is receiving public assistance, the amount of the FSS account is paid to the head of the family. If the PHA terminates the FSS contract, or if the family fails to complete the contract before its expiration, the family's FSS escrow funds are forfeited.

DOES A FAMILY HAVE TO GIVE UP ITS HOUSING ASSISTANCE AFTER THE FAMILY COMPLETES ITS FSS CONTRACT?

No. Although the goal of the program is that families will no longer need housing assistance upon completion of the FSS program, some families that complete the program will still need assistance for housing. The law provides that a family may complete its FSS contract and receive its escrow while continuing to receive housing assistance.

TO FIND PROVIDERS IN CONNECTICUT'S COMMUNITY RESOURCES DATABASE:

- Search by program name: Family Self-Sufficiency Program

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