

# Chapter 13

## Debt

Public Housing families may accrue debt due to:

- Failure to timely or properly report changes in family income or household composition
- Damages to a unit that exceed normal wear and tear
- Failure to pay utilities that are the responsibility of the tenant family
- An AHFC determination that a previous rent reduction granted through the Minimum Rent Exemption or Bridge Process needs to be repaid

This policy address how AHFC will assess debt to a family and methods for collecting those debts.

### **1. Assessing Debt**

See the Allegations, Family Errors, and Misrepresentation exhibit for information on investigating complaints and assessing family debt.

### **2. Payment Agreements**

See the Payment Agreements exhibit.

### **3. Family Payments**

See the Payment Management exhibit.

### **4. Debts Dismissed Due to Bankruptcy Action**

AHFC retains all debts with their documentation. These debts will remain on the books of AHFC, and AHFC will follow appropriate state statutes for debt collection. If a debtor has filed for bankruptcy in an appropriate judicial venue, these debts will be liquidated at the direction of the bankruptcy court.

### **Numbered Memo**

20-38 Exhibits 13-2, 13-3, and 13-4