Annual Income
Annual income is the gross amount of income of all household members that is anticipated to be received during the coming 12-month period. In calculating annual income there are "inclusions" (types of income to be counted) and "exclusions" (types of income that are not considered). A list of inclusions and exclusions is published in the Code of Federal Regulations at 24 CFR 5.609. HUD periodically updates this list when the U.S. Congress changes the definition of annual income. Examples of inclusions are income from earned income (wages, salaries, tips, etc.), Social Security payments, unemployment and disability income, and welfare assistance. Examples of exclusions are employment income of children and any income specifically excluded by Federal law, such as Food Stamps, Low-Income Home Energy Assistance Act benefits, Workforce Investment Act benefits, and the Earned Income Disallowance (EID).

Adjusted Income
The amount of income after exclusions and allowable deductions is referred to as Adjusted Income.

Baseline Income
Baseline Income is a tenant’s Annual Income prior to the EID being triggered. It is the income the tenant was earning either at the last housing income certification or during the month prior to starting the EID benefit. This income could come from VA benefits, SSDI, SSI, or TANF or be other unearned income. It could also include earned income when the second or third Qualifying Event is triggered or, if under the first qualifying event, the person’s earnings are less than that which would be earned by working 10 hours a week for 50 weeks at minimum wage.

The Baseline Income for the qualifying family member will never change throughout the course of calculating the EID.

Case management
Case management is the overall coordination of an individual’s use of services, which can include medical and mental health services, substance use services, and vocational training and employment. Although the definition of case management varies with local requirements and staff roles, a case manager often assumes responsibilities for outreach, advocacy, housing retention, and referral on behalf of individual clients.

Disability
See separate handout, “Defining Disability.”

Earned Income Disallowance (also referred to as Earned Income Disregard)
The Earned Income Disallowance (EID) is established by a HUD rule requiring housing providers to disregard Incremental Income from earnings for a 24-month period when calculating rent for qualified people living in Public Housing or qualified people with disabilities living in Housing Choice Voucher Program, Supportive Housing Program (SHP), Housing Opportunities for Persons with AIDS (HOPWA), or HOME Investment Partnerships housing.

Economic Self-Sufficiency Program
Any program designed to encourage, assist, train, or facilitate economic independence of assisted families or to provide work for such families. Such programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

**HOME Investment Partnerships Program (HOME)**
HUD program formula grants to States and localities that communities use—often in partnership with local nonprofit groups—to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

**Homeless**
Sleeping in a place not meant for human habitation (e.g., on the streets), in an emergency homeless shelter, or in transitional housing for people who originally came from the street or an emergency shelter.

**Housing Choice Vouchers**
HUD-funded vouchers, often referred to as “Section 8 tenant-based rental assistance”, that allow very low-income families to choose and lease safe, decent, and affordable privately-owned rental housing.

**Housing Opportunities for Persons with AIDS (HOPWA)**
HUD program providing grants to local communities, States, and nonprofit organizations for projects that benefit low income persons medically diagnosed with HIV/AIDS and their families. HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs. These include, but are not limited to, the acquisition, rehabilitation, or new construction of housing units; costs for facility operations; rental assistance; and short-term payments to prevent homelessness. HOPWA funds also may be used for health care and mental health services, chemical dependency treatment, nutritional services, case management, assistance with daily living, and other supportive services.

**Incremental Income**
Income in excess of the Baseline Income that is earned from employment by any member of a Qualified Family (PHA) or an adult family member with disabilities of a Qualified Family (Housing Choice Voucher, SHP, HOPWA, HOME programs).

**Initial 12-Month Exclusion**
The EID calls for a 100 percent exclusion of Incremental Income, for a cumulative 12-month period, beginning on the date the Qualified Family first experiences an increase in annual income attributable to employment. If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the Maximum 48-Month Disallowance period and continued until the disallowance has been applied for a total of 12 months. (See also Second 12-Month Exclusion/Phase-In.)

**Maximum 48-Month Disallowance**
Each qualifying family member has a single 48-month (four year) period to use the EID. The 48-month period is consecutive and begins at the start of the Initial 12-Month
Exclusion. The Maximum 48-Month Disallowance ends when the qualifying family member uses both 12-month exclusions (initial 12-month 100 percent exclusion and second 12-month 50 percent exclusion) or until the 48-month maximum is reached, whichever comes first.

**McKinney-Vento Homeless Assistance Act**
Named after its sponsors, Representatives Stewart B. McKinney of Connecticut and Bruce F. Vento of Minnesota, this Federal legislation established programs and funding to serve homeless people. It was originally enacted in 1987 and subsequently amended.

**Minimum Wage**
The Minimum Wage is the least dollar amount that employers must pay to employees per hour, as mandated by local, State, or Federal law.

**Previously Unemployed**
A person who has earned, in the 12 months prior to employment, no more than the amount that would be received for 10 hours of work per week for 50 weeks at the established minimum wage (i.e., 10 x 50 x established minimum wage).

**Public Housing**
Publicly owned rental housing, funded by HUD and administered by local PHAs, for eligible low-income families, the elderly, and people with disabilities.

**Public Housing Agency (PHA)**
A Public Housing Agency is any local, regional or State agency that receives funds to operate Federal Public Housing or Housing Choice Vouchers. Such agencies must submit a PHA plan to HUD; the law considers these agencies to be Public Housing Agencies even though they may not be called a PHA locally. For example, State Housing Finance Agencies that administer vouchers are considered PHAs and required to submit a PHA Plan.

**Qualified Family (PHA)**
Any family living in public housing whose annual income increases as a result of a Qualifying Event (PHA).

**Qualified Family (Housing Choice Voucher, SHP, HOPWA, HOME programs)**
A family living with disabilities in housing subsidized under the SHP, HOPWA, HOME, or the Housing Choice Voucher Programs whose annual income increases as a result of a Qualifying Event (Housing Choice Voucher, SHP, HOPWA, HOME Programs).

**Qualifying Event (PHA)**
An event triggering the EID through an increase in earned income:
- As a result of employment of a family member who was Previously Unemployed for one or more years;
- As a result of a family member’s participation in an Economic Self-Sufficiency Program or other job training program; or
- During or within six months of receiving under any state program Temporary Assistance for Needy Families (TANF) monthly income payments, benefits and services worth at least $500.
Qualifying Event (Housing Choice Voucher, SHP, HOPWA, HOME programs)
An event triggering the EID through an increase in earned income:
- As a result of employment of a family member with disabilities who was
  Previously Unemployed for one or more years;
- As a result of a family member with disabilities’ participation in an Economic Self-
  Sufficiency Program or other job training program not funded by HUD; or
- During or within six months of receiving under any state program Temporary
  Assistance for Needy Families (TANF) monthly income payments, benefits and
  services worth at least $500.

Second 12-Month Exclusion/Phase-In
The EID calls for an exclusion of 50 percent of the Incremental Income for the second
12-month cumulative period after the date Qualified Family first experiences an
increase in annual income attributable to employment. If the period of increased income
does not last for 12 consecutive months, the disallowance period may be resumed at
any time within the Maximum 48-Month Disallowance period and continued until the
disallowance has been applied for a total of 12 months. (See also Initial 12-Month
Exclusion.)

Social Security Disability Insurance (SSDI)
SSDI provides benefits to disabled or blind individuals who are "insured" by workers’
contributions to the Social Security trust fund. Benefits are based on the Federal
Insurance Contributions Act (FICA) tax paid on their earnings or those of their spouses
or parents.

Substantial Gainful Activity (SGA)
Substantial Gainful Activity is a term SSA uses in defining disability by considering the
extent of a worker’s earning capacity. The SGA amount for 2007 for individuals with
disabilities other than blindness is $900 per month. These amounts are established by
law and are adjusted each year based on the national average wage.

Supplemental Security Income (SSI)
SSI provides cash assistance to aged, blind, and disabled people (including children
under age 18) who have limited income and resources. The Federal government funds
SSI from general tax revenues.

Supportive Housing
For EID purposes, this is permanent, affordable housing linked with flexible support
services designed to help the tenants stay housed and build the necessary skills to live
as independently as possible. Housing units can be scattered throughout a community,
clustered in an apartment building or complex in which the tenancy is people with
disabilities, or integrated with units for non-disabled people with mixed incomes.

Supportive Housing Program (SHP)
The Supportive Housing Program is a homeless assistance program under the
McKinney-Vento Homeless Assistance Act. SHP can provide partial support for outreach
and assessment, transitional housing, permanent housing for persons with disabilities,
safe havens, and supportive services to people who are homeless in non-housing
settings.

Tenant
Whenever possible, these materials use the term "tenant" (rather than consumer, resident, client, or participant) to refer to the people who live in Supportive Housing projects. This term emphasizes the importance of permanent housing in ending homelessness and recognizes that in many programs serving people who are homeless, residents might not be voluntary customers of support services provided. This is not meant to minimize the great amount of time and energy some programs spend with people before they are actually tenants. It is, however, intended to underscore that tenants of Supportive Housing should have the same rights and responsibilities as tenants of other lease-based, permanent housing.