MOHAVE COUNTY COMMUNITY SERVICES DEPARTMENT

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Important Notice Regarding Potential Impact of Federal Government Shutdown on Housing Assistance Payments

October 30, 2025

Dear Landlords,

As you may be aware, the federal government is currently experiencing a shutdown. Because the Mohave County Housing Authority (MCHA) is funded by the U.S. Department of Housing and Urban Development (HUD), this situation may affect the timing and availability of federal funds provided to housing authorities across the country. The federal budget for the fiscal year beginning October 2025 has not yet been passed. As a result, many federally funded programs — including housing assistance — are experiencing significant delays in processing payments and disbursing funds. These delays are expected to continue until the federal budget is approved and funding is fully restored.

At this time, MCHA has sufficient funds to continue making Housing Assistance Payments (HAP) in the near term. However, if the government shutdown continues for an extended period, there is a possibility that HUD funding could be delayed or disrupted.

In accordance with the Housing Assistance Payments (HAP) contract, we are required to notify landlords at least 30 days in advance of a potential interruption in rental assistance payments. Therefore, we must inform you that if the government does not resume normal operations, **HAP payments may be placed on hold effective December 1, 2025**, until the shutdown ends, and funding is restored.

Please note that per the HAP contract, no adverse actions may be taken against tenants participating in the program due to payment delays resulting from the federal shutdown, as these delays are beyond their and our control. See attached Frequently Asked Questions (FAQ's) for clarity.

We greatly value your partnership in providing safe and affordable housing to families in our community. We understand the uncertainty this may cause and are committed to keeping you informed throughout this process. Thank you for your continued cooperation and support during this challenging time.

We will continue to provide updates as new information becomes available.

Regards,



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Enc. MCHA FAQ's



Mohave County Housing Authority (MCHA) Housing Assistance Payments (HAP) Interruption Frequently Asked Questions (FAQ)

What is program funding shortfall?

A program funding shortfall occurs when the PHA's Total Funding Available is insufficient to support the projected HAP expenses at calendar year end.

What is a government shutdown?

A government shutdown occurs when the U.S. Congress fails to pass legislation to fund federal government agencies and operations. This includes the Department of Housing and Urban Development (HUD). A shutdown can delay many government services, such as processing applications and payments to fund Voucher Program shortfalls.

What MCHA voucher programs will be affected by this shortfall and government shutdown?

Housing Choice Voucher (HCV) Program-(previously known as Section 8), Veteran's Affairs Supportive Housing (VASH), Supportive Housing (SHP) Programs, Housing Opportunities for people with Aids (HOPWA), and the Family Self Sufficiency (FSS) & Section 8 Homeownership Program.

When will affected Landlords be notified that HAP will be issued?

Upon receipt of funds for the above programs, the MCHA will issue HAP starting with December 2025 in accordance with its original check run. If the landlord is on Electronic Funds Transfer (EFT) for direct deposits, you will be notified via your selected method, usually email.

What does this mean for Landlords participating in one of the affected programs?

Landlords that are within MCHA's jurisdiction and participating in one of the above programs will experience delays in HAP issuance starting with December 2025 HAP. Landlord HAP issuance will continue to be delayed until proper funding is received by MCHA from HUD.

Does the MCHA know when HAP will be released?

<u>No.</u> Due to pending government shutdown and award approval of shortfall funds, the MCHA is not able to determine a target release date for HAP to Landlords.

Should affected Program Participants continue to pay their rent to their landlord?

Yes. Tenant obligations do not change as a result of government shutdown or program funding shortfall.

Can a Landlord participating in one of the affected programs terminate tenancy for non-payment?

<u>No.</u> The tenant is not responsible for paying the portion of rent to owner covered by the MCHA housing assistance payment under the HAP contract between the owner and the MCHA. MCHA failure to pay the housing assistance payment to the owner is not a violation of the lease. The owner may not terminate the tenancy for nonpayment of the MCHA's housing assistance payment. This is per HUD Form 52641 "Part C of HAP Contract – Tenancy Addendum" Section 5. Family Payment To Owner.

What happens to tenant-based voucher programs if the government shutdown continues beyond November 2025?

In the event the federal government remains shut down and sufficient funding is not made available for tenant-based voucher programs managed by the MCHA, the MCHA will take immediate action including but not limited to seek other funding resources, request special funding, terminate families in accordance with its Administrative Plan.