



Regulations Division  
Office of General Counsel  
Department of Housing and Urban Development.  
451 7<sup>th</sup> Street SW, Room 10276  
Washington, DC 20410

RE: Docket No. FR-6524-P-01 Housing and Community Development Act of 1980: Verification of Eligible Status

To Whom it May Concern:

Thank you for the opportunity to provide comments on the *Housing and Community Development Act of 1980: Verification of Eligible Status* Proposed Rule (Proposed Rule).

The Housing Partnership Network (HPN) is a collaborative of 120+ of the nation's largest and most impactful affordable housing developers and CDFI lenders. HPN members annually support more than 500,000 households to access stable rental housing or to buy a home. Our members collectively manage more than \$70 billion in assets and operate in almost every state. HPN respectfully submits the following comment to express our opposition to the Proposed Rule, which would alter how the Department of Housing and Urban Development (HUD) implements Section 214 of the Housing and Community Development Act of 1980 (Section 214).

The Proposed Rule will not address the affordable housing crisis or ensure that more working families are assisted by federal housing programs. Instead, this proposed rule would harm families and eligible residents, increase the burden and cost of administering rental assistance, and create housing portfolio instability. Housing providers, like HPN members, should be able to focus on providing housing to working Americans and not on immigration enforcement which goes beyond the scope of their work and expertise.

### **Harm to Existing Residents**

The proposed rule seeks to end assistance to mixed-status families, which are families that include eligible and ineligible members based on immigration status. Under Section 214, housing assistance is already restricted to citizens and people with eligible immigration status; however, eligible recipients are allowed to live with family members who are not eligible,



deeming them “mixed-status”. Family members who “do not contend” eligibility do not receive assistance<sup>1</sup>. This is a long-standing precedent and interpretation of Section 214. Mixed-status families pay more in rent and use fewer federal resources than families who are deemed to be fully eligible.

The Proposed Rule has the potential to impact 36,000 U.S. citizen children who live in HUD-assisted housing<sup>2</sup>. These children could potentially lose access to stable housing due to one or more family members being deemed ineligible. In cases where a family has one eligible adult, eligible children, and one ineligible adult, that family would either need to separate to continue receiving assistance or forgo assistance entirely.

### **Burden Imposed on Owners**

The Proposed Rule also imposes burdens on private owners who participate in Section 214 programs. Private owners would face administrative burdens and potential increased costs associated with eviction and unit turnover under the Proposed Rule.

#### *Administrative Burdens*

HUD is proposing that all residents in Section 214 covered housing must have their eligibility verified through the Systematic Alien Verification of Eligibility (SAVE) system. Staff at “responsible entities” will need to learn how the SAVE system works, new requirements around “primary verification” versus “secondary verification” and how to handle and retain sensitive documents. HUD recognizes in the proposed rule that “SAVE has limitations on the types of documents and information it can review, and certain information and documentation that could be provided by individuals as evidence of U.S. citizenship or U.S. nationality are not currently usable in SAVE or by the SAVE program.”<sup>3</sup> Any changes in the system will require staff to reeducate residents on documentation requirements as well as update their internal processes. Significant staff time will be needed for conducting outreach to residents, following up to obtain appropriate documentation, and undergoing training on how to use the SAVE system.

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<sup>1</sup> 24 CFR § 5.508(e)

<sup>2</sup> Regulatory Impact Analysis - Housing and Community Development Act of 1980: Verification of Eligibility Status (Page 13)

<sup>3</sup> <https://www.federalregister.gov/documents/2026/02/20/2026-03405/housing-and-community-development-act-of-1980-verification-of-eligible-status#citation-47-p8163> (§ 5.512(d)(2))



### *Eviction and Unit Turnover Costs*

Property owners will incur additional costs if an ineligible resident does not voluntarily leave, and a property owner needs to proceed with eviction. Costs to evict include processing the termination, legal fees and other court-related costs, and the lost income during unit turnover. Eviction rules vary across the country and in some communities this process can take up to a year. During an extended eviction, a property owner is likely not receiving rent payments resulting in a significant loss of revenue.

HUD estimates that “in a high-cost scenario, for which major repairs are required, and a lawyer must be engaged, the cost of an eviction could be as high as \$4,000 per household.”<sup>4</sup> In properties with a concentration of mixed-status families, the cost to evict compounded with lost rental income could be detrimental to a property’s long-term stability.

These properties are carefully underwritten to take into account expected rental income, such as Section 8. If expenses from implementing the Proposed Rule accumulate for a property, they could be at risk of not being able to keep the property operational. Instability like this can change the economies of entire projects and impact investors.

### **Recommendations for Improvement**

While HPN is strongly opposed to the Proposed Rule, we have suggestions to limit disruptions to property operations should HUD choose to proceed with this proposal.

#### *Apply New Requirements Prospectively*

HPN recommends that if HUD proceeds with issuing a Final Rule, any new requirements should be prospective and not apply to existing residents. Families that have relied on the long-standing interpretation of Section 214 should not be retroactively punished. HUD should continue to allow prorated assistance to mixed-status families that qualify under current rules and determine an effective date for verification of eligible status going forward. This will ensure stability for properties, reduce burden on owners, and allow HUD to accomplish its objectives.

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<sup>4</sup> Regulatory Impact Analysis - Housing and Community Development Act of 1980: Verification of Eligibility Status (Page 26)



### *Extend Timing for Implementation of the Proposed Changes*

HUD is proposing that responsible entities must notify residents of new requirements within 30 days of the proposed rule. Mixed-status families would then have 90 days, with a possible 30-day extension, to submit documentation. This is not enough time for providers to notify residents of the new requirements and train staff on how to use the SAVE system and additional verification procedures. We recommend extending these deadlines for staff and mixed-status families to ensure accuracy in reporting and system use.

### *Extend Deadlines for Verification Processes*

If primary verification fails in SAVE, HUD is proposing a 30-day deadline for residents to provide additional documentation, such as a passport, which can take 4-6 weeks to acquire<sup>5</sup>. HUD should allow an extension beyond the 30-day deadline for “secondary verification” to accommodate routine wait times associated with some documents.

We recommend that HUD also take into account delays with the issuing agency resolving a SAVE or document discrepancy when undergoing “secondary verification”.

As previously noted, the SAVE system is still in development and providers may need more time to process an influx of applicants and residents through SAVE. Until SAVE can accommodate more document types and produce consistent, reliable results, HUD should delay implementing the rule.

### **Conclusion**

Thank you for the opportunity to comment on this proposed rule. If you wish to discuss any points in this letter further, please contact Kelly Read, Senior Associate, Policy at [read@housingpartnership.net](mailto:read@housingpartnership.net).

Sincerely,

A handwritten signature in black ink, appearing to read "Shannon Ross".

Shannon Ross  
Vice President, Policy  
Housing Partnership Network

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<sup>5</sup> [U.S. State Department passport processing times](#)