



Rural Housing and Community Programs

Things You Should Know About USDA Rural Rental Housing

Don't risk losing your chances for federally assisted housing by providing false, incomplete, or inaccurate information on your application or recertification

Penalties for Committing Fraud

You must provide information about your household status and income when you apply for assisted housing in apartments financed by the U.S. Department of Agriculture (USDA). USDA places a high priority on preventing fraud. If you deliberately omit information or give false information to the management company on your application or recertification forms, you may be:

- Evicted from your apartment;
- Required to repay all the extra rental assistance you received based on faulty information;
- Fined;
- Put in prison and/or barred from receiving future assistance.

Your State and local governments also may have laws that allow them to impose other penalties for fraud in addition to the ones listed here.

How To Complete Your Application

When you meet with the landlord to complete your application, you must provide information about:

- **All Household Income.** List all sources of money that you receive. If any other adults will be living with you in the apartment, you must also list all of their income. Sources of money include:
 - Wages, unemployment and disability compensation, welfare payments, alimony, Social Security benefits, pensions, etc.;
 - Any money you receive on behalf of your children, such as child support, children's Social Security, etc.;
 - Income from assets such as interest from a savings account, credit union, certificate of deposit, stock dividends, etc.;
 - Any income you expect to receive, such as a pay raise or bonus.
- **All Household Assets.** List all assets that you have. If any other adults will be living with you, you must also list all of their assets. Assets include:
 - Bank accounts, savings bonds, certificates of deposit, stocks, real estate, etc.;
 - Any business or asset you sold in the last 2 years for less than its full value, such as selling your home to your children.

- **All Household Members.** List the names of all the people, including adults and children, who will actually live with you in the apartment, whether or not they are related to you.

Ask for Help if You Need It

If you are having problems understanding any part of the application, let the landlord know and ask for help with any questions you may have. The landlord is trained to help you with the application process.

Before You Sign the Application

- Make sure that you read the entire application and understand everything it says;
- Check it carefully to ensure that all the questions have been answered completely and accurately;
- Don't sign it unless you are sure that there aren't any errors or missing information.

By signing the application and certification forms, you are stating that they are complete to the best of your knowledge and belief. Signing a form when you know it contains misinformation is considered fraud.

- The management company will verify your information. USDA may conduct computer matches with other Federal, State or private agencies to verify that the income you reported is correct;
- Ask for a copy of your signed application and keep a copy of it for your records.

Tenant Recertification

Residents in USDA-financed assisted housing must provide updated information to the management company at least once a year. Ask your landlord when you must recertify your income.

You must **immediately** report:

- Any changes in income of \$100 or more per month;
- Any changes in the number of household members.

For your annual recertification, you must report:

- All income changes, such as increases in pay or benefits, job change or job loss, loss of benefits, etc., for any adult household member;

- Any household member who has moved in or out;
- All assets that you or your adult housemates own, or any assets that were sold in the last 2 years for less than their full value.

Avoid Fraud, Report Abuse

Prevent fraudulent schemes through these steps:

- Don't pay any money to file your application;
- Don't pay any money to move up on the waiting list;
- Don't pay for anything not covered by your lease;
- Get receipts for any money you do pay;
- Get a written explanation for any money you are required to pay besides rent, such as maintenance charges.

Report Abuse: If you know anyone who has falsified an application, or who tries to persuade you to make false statements, report him or her to the manager. If you cannot report to your manager, call your local or state USDA office at 1 (800) 670-6553, or write: USDA, STOP 0782, 1400 Independence Ave., SW, Washington, DC 20250.

If You Disagree With a Decision

Tenants may file a grievance in writing with the complex owner in response to the owner's actions, or failure to act, that result in a denial, significant reduction, or termination of benefits. Grievances may also be filed when a tenant disputes the owner's notice of proposed adverse action.

Notice of Adverse Action

The complex owner must notify tenants in writing about any proposed actions that may have adverse consequences, such as denial of occupancy and changes in the occupancy rules or lease. The written notice must give specific reasons for the proposed action, and must also advise tenants of the "right to respond to the notice within 10 calendar days after the date of the notice" and of "the right to a hearing." Housing complexes in areas with a concentration of non-English-speaking people must send notices in English and in the majority non-English language.

Grievance Process Overview

USDA believes that the best way to resolve grievances is through an informal meeting between tenants and the landlord or owner. Once the owner learns about a tenant grievance, the process should begin with an informal meeting between the two parties. Owners must offer to meet with tenants to discuss the grievance within 10 calendar days of receipt of the complaint. USDA encourages owners and tenants to try to reach a mutually satisfactory resolution to the problem at the meeting.

If the grievance is not resolved, the tenant must request a hearing within 10 days of receipt of the meeting findings. The parties will then select a hearing panel or hearing officer to govern the hearing. All parties are notified of the decision 10 days after the hearing.

When a Grievance Is Legitimate

The landlord must determine if a grievance is within the established rules for the program. For example, "I want to file a complaint because the manager doesn't speak to me" is not a legitimate complaint. However, "I want to file a complaint because the manager isn't maintaining the property according to USDA guidelines" is a legitimate complaint. Below are examples of cases in which tenants may and may not file a complaint.

A complaint may not be filed with the owner/management if:	A complaint may be filed with the owner/management if:
USDA has authorized a proposed rent change.	There is a modification of the lease, or changes in the rules or rent that are not authorized by USDA.
A tenant believes that he/she has been discriminated against because of race, color, religion, national origin, sex, age, familial status, or disability. Discrimination complaints should be filed with USDA and/or the Department of U.S. Housing and Urban Development (HUD), not with the owner/management.	The owner or management fails to maintain the property in a decent, safe, and sanitary manner.
The complex has formed a tenant's association and all parties have agreed to use the association to settle grievances.	The owner violates a lease provision or occupancy rule.
USDA has required a change in the rules and proper notices have been given.	A tenant is denied admission to the complex.
The tenant is in violation of the lease and the result is termination of tenancy.	
There are disputes between tenants that do not involve the owner/management.	
Tenants are displaced or other adverse effects occur as a result of loan prepayment.	

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The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

ATTACHMENT 12-A CLARIFYING THE DEFINITION OF “FARM LABOR”

Background

The purpose of the Rural Housing Service's (RHS) Farm Labor Housing (FLH) program is to provide decent, safe, and sanitary housing for “domestic farm laborers.” The Housing Act of 1949, which authorizes the FLH program, provides the following definition of a *domestic farm laborer*:

“...any person (and the family of such person) who receives a substantial portion of his or her income from **primary production of agricultural or aquacultural commodities or the handling of such commodities in the unprocessed stage**, without respect to the source of employment, except that (A) such person shall be a citizen of the United States or a person legally admitted for permanent residence; (B) such term includes any person (and *the family of such person*) who is retired or disabled, but who was domestic farm labor at the time of retirement or becoming disabled;...”

Section 514(f) (3) of the Housing Act of 1949 (42 U.S.C. 1484(f) (3)) was amended on June 18, 2008 to expand the definition of domestic farm labor to include processing workers by deleting “or the handling of such commodities in the unprocessed stage”, and replacing it with “or the handling of agricultural or aquacultural commodities in the unprocessed stage, or the processing of agricultural or aquacultural commodities”. The definition now reads:

“...any person (and the family of such person) who receives a substantial portion of his or her income from primary production of agricultural or aquacultural commodities or the handling of agricultural or aquacultural commodities in the unprocessed stage, or the processing of agricultural or aquacultural commodities , without respect to the source of employment, except that (A) such person shall be a citizen of the United States or a person legally admitted for permanent residence; (B) such term includes any person (and *the family of such person*) who is retired or disabled, but who was domestic farm labor at the time of retirement or becoming disabled;...”

This statutory definition requires that one of two requirements be met concerning farm income. Farm laborers must receive a substantial portion (refer to Attachment 6-H) of their income from either the “primary production of agricultural or aquacultural commodities” or from “the handling of agricultural or aquacultural commodities in the unprocessed stage, or the processing of agricultural or aquacultural commodities.” Further guidance is provided by 7 CFR 3560.11. It defines “farm labor” as follows:

“Farm labor. Services in connection with cultivating the soil, raising or harvesting any agriculture or aquaculture commodity; or in catching, netting, handling, planting, drying, packing, grading, storing, or preserving in the unprocessed stage, without respect to the source of employment (but not self-employed), any agriculture or aquaculture commodity; or delivering to storage, market, or a carrier for transportation to market or to processing any agricultural or aqua cultural commodity in its unprocessed stage.”

The definition of “farm labor” contains the following three components and all three must be met for the activities to be considered as farm labor: All of the components of the definition focus on the nature of the work being done.

1st Component: “Services in connection with...”

2nd Component: One of four specific classes of work:

- a. the “cultivating the soil, raising or harvesting”; or
- b. the “catching, netting, handling, planting, drying, packing, grading, storing, or preserving its unmanufactured state”; or in;
- c. the “delivering to storage, market, or day hauling the product for market, processing or distribution”
- d. the “working with the product in a processing facility until it is shipped for distribution”.

3rd Component: “Any agricultural or aquacultural commodity.”

There is no restriction on who employs the farm laborer. It also needs to be emphasized that the definition does not restrict farm labor to work done on a farm. Paragraphs 2.b, 2.c and 2.d. expand the definition to include working with the product in other off farm locations including, (1) in a processing facility, and (2) in handling and day hauling the commodity in an unmanufactured or manufactured state to be marketed, processed or distributed. Day hauling is the hauling of the agricultural or aquacultural commodity from the site of eligible activity to the site of eligible or ineligible activity within standard work hours.

Thus, a farm laborer may be working for a farmer, a farm labor contractor, a custom agricultural service provider, or a large vertically integrated corporation, etc. The nature of the worker’s job is what defines “farm laborer” and not necessarily the nature of the employer.

A good way to understand the definition is to bear in mind the sequence of farming activities in an agriculture enterprise. Fundamentally, it consists of five stages:

- Stage 1: The raising of the agricultural or aquacultural commodity on the farm;
- Stage 2: The transportation of the agricultural or aquacultural commodity after harvest;
- Stage 3: The post-harvest handling, storage, processing and packaging of the agricultural or aquacultural commodity;
- Stage 4: The delivery to market; and, finally,
- Stage 5: The market itself – which may either, be a wholesale or retail market (if the commodity is a fresh market commodity) or a food processing manufacturer (if the commodity is a processing commodity).

Exhibit A identifies the presence of farm labor in five stages of an agricultural enterprise .

Distinction - Post-Harvest Handling vs. Processing – Stage 3

While both are eligible activities, to distinguish between post-harvest handling and processing, it is often helpful to consider the condition that the commodity is in when the laborer does his or her work.

An agricultural or aquacultural commodity in an “unmanufactured state” is essentially raw produce in its natural state – still “the way that nature made it.” Implicit in paragraph 2.b. is that a commodity can remain in this unmanufactured state even though it has been handled, dried, graded, packed, stored, and preserved. This is because all of these activities do not necessarily change the fundamental nature of the commodity.

Thus, activities of the following three types are included in farm labor as post harvest handling:

1. Sorting produce and placing it in containers. When it is harvested and transported from the field, a commodity must be containerized in some fashion. Frequently, commodities go through several sequential stages of sorting, grading, and packing. However, the mere fact that a commodity is in a particular container or package does not change the nature of the commodity itself. Produce in a bag, tray, basket, bunch, box, bin, or wrap is still unmanufactured.
2. Handling to preserve the commodity. Actions such as cleaning, washing, and waxing fruits and vegetables; drying grain or prunes for safe storage; and holding produce in control atmosphere storage – all are examples of services that do not change the essentially unmanufactured state of the commodity. They merely allow the commodity to be stored safely and preserved.
3. Handling to extract the commodity, without acting on the commodity itself. Actions such as removing the hull from almonds and walnuts, or the tops from carrots are examples. In these cases, extraneous parts of the commodity are removed, but the commodity itself is unchanged and unmanufactured.

The “processing” of an agricultural or aquacultural commodity means acting on the commodity itself, usually with tools, so as to change the fundamental nature of the commodity from that which it had when it was taken from the farm. Examples of processing activities include: crushing, cutting, chopping, dicing, slicing, pitting, blending, pureeing, juicing, drying, dehydrating, freeze-drying, expressing, flavoring, heating, freezing, cooking, steaming, roasting, slaughtering, butchering, pasteurizing, and churning. Thus, canneries, wineries, slaughterhouses, creameries, frozen food plants, salad mix plants, and other such food processing plants act on the raw commodity itself and therefore, employees of such are to be considered “food processing workers”.

Another distinction is that “farm labor” ceases once the commodity is day hauled “to market or the distributor.” Thus, the distributor’s intake’ shipping gate is where farm labor ends. Farm labor is also involved in wholesaling packaging but not retail packaging. If the market destination of a commodity is a produce wholesaler’s warehouse or a retail grocery store’s produce department, then this is the point where non-farm labor takes over.

However, when dealing with vertically-integrated farm operations (where the same farm raises, harvests, handles, stores, and then processes and/or markets the crop), it may be necessary to determine the specific job an employee does. Many times, one employee within a company or facility may be classified under the definition as a “farm laborer” and another employee working in the same facility is not. These employees, who may work on a farm operation and whom do not perform “farm labor activities”, are not eligible. For example, a custodian who sweeps the floor of a packing house, or a bookkeeper who performs accounting duties in the farm office, would not be defined as a farm laborer, whereas as their coworkers, who sort, clean, pack, or load the commodity would. On the other hand, laborers providing services for nonvertically-intergrated farm operations (i.e. installing sprinklers) are eligible if employed by the farm operation.

In all cases, the trucker who day hauls the agricultural or aquaculture commodity from the site of the eligible activity to the site of the ineligible activity is considered to be engaged in farm labor. However, the trucker who day hauls the product for market or distribution must work for the processing manufacture to be eligible.

There are, of course, a number of other FLH eligibility factors besides the mere involvement of a worker in “farm labor.” For example, applicants for On-Farm Labor Housing, for processing worker housing, must meet the eligibility criteria according to the 7 CFR part 3560, subpart L section 3560.605. Other eligibility factors are covered in detail in 7 CFR part 3560, subparts L and M.

Exhibit A

Presence of “farm labor” in stages of the agricultural economy

Stage 1. Raising the commodity on the farm.

Eligible activities include:

Field workers – hand work, field preparation, planting, irrigating, weeding, spraying, thinning, picking, pruning, loading, flagman, livestock caretakers, milkers
Agricultural equipment operators – tractors, sprayers (including aerial sprays), harvesters, combines
Professional crop services – agronomists, veterinarians, pest advisors, orchard managers

Ineligible activities include:

Support activities – mechanics, chemical handlers, bookkeepers, farm labor contractors
Agricultural suppliers – seed, chemical, equipment, and supply dealers
Professional support services – bookkeepers, attorneys, financial consultants

Stage 2. Transporting the commodity after harvest.

Eligible activities include:

Harvester/combine operators
Truck drivers
Loading and unloading commodities prior to processing

Ineligible activities include:

Fuel dealers
Truck mechanics
Truck dispatchers

Stage 3. Post-harvest handling, storage, processing and packaging.

Eligible activities include:

Boxing, crating, loading and unloading produce, hulling nuts, drying grain
Working in a post-harvest commodity storage facility

Ineligible activities include:

Handling which constitutes marketing

Stage 4. Delivery to market or processing.

Eligible activities include:

Truck drivers, loading and unloading commodities prior to processing
Trucking processed agricultural products (when employed by Processing Plant)

Ineligible activities include:

Fuel dealers
Off-farm truck mechanics
Truck dispatchers

Stage 5. Processing or marketing.

Eligible activities include:

Processing plant workers -- canneries, salad mix, creameries, frozen foods, dried fruit, slaughterhouse

Ineligible activities include:

Grocery store workers – produce department Restaurant workers Auction yard workers produce wholesalers and wholesale warehouse workers.



Exhibit B
Presence of “farm labor” and “processing worker” in selected agricultural enterprises

Enterprise	Farm Worker Activities	Processing Worker Activities
Aquaculture	Seeding, care, management, or harvest of fish, shellfish, & other aquatic organisms	Seafood /Wholesalers Packing
Bees	Hive care and management Honey extraction	Confection manufacturing
Berries	Field work and harvest, including field pack Sorting, packing, and storage	Produce wholesalers Packing Juicing
Cattle	Herd management Feedlot	Slaughterhouse
Cotton	Field work and harvest Pre-gin storage	Ginning
Dairy	Milking barn Herd care and management	Creamery Cheese production
Eggs	Layer flock management Egg sorting, grading, and packing	Egg yolk separation
Fruit trees – avocados, dates	Grove operations and harvest Sorting, packing, and storage	Guacamole production
Fruit trees – citrus	Grove operations and harvest Sorting, packing, and storage	Juicing Canning
Fruit trees – figs	Orchard operations and harvest Sorting, packing, drying and storage	Fig confections
Fruit trees – olives	Orchard operations and harvest Sorting, packing, and storage	Brine operations Cannery operations
Fruit trees – apples, kiwis, peaches, pears, and plums	Orchard operations and harvest Sorting, packing, and storage	Cannery operations Freezer operations Drying operations
Fruit trees – prunes (dried plums)	Orchard operations and harvest Sorting, packing, drying and storage	Re-hydrating and processing Cannery operations
Garlic	Field work and harvest Sorting, packing, and storage	Wholesale produce operation and Packing Drying & dehydrating operations
Grain – barley, corn, oats, rice, wheat	Field work and harvest Grain drying and bulk storage	Milling
Grapes – raisins	Vineyard work, including field dry & pack Sorting, packing, and storage	Re-hydrating and processing Cannery operations

Grapes – table	Vineyard work and harvest Boxing grapes	Wholesale produce operation packing
Grapes – wine	Vineyard work and harvest	Grape crushing and fermenting
Hay	Hay production and harvest Hay baling, stacking, and storage Silage production by farmer	Hay compressor or pelletizer operation Feed mix preparation Hay broker Feed store
Melons	Field work and harvest, including field pack Sorting, packing, and storage	Wholesale produce operations packing
Nurseries	Field and greenhouse work Sorting and packing for shipment	Sorting and packing for shipment
Nut trees – almonds, Walnuts	Orchard operations and harvest Hulling	Shelling Expressing oils Roasting and making nut products
Oilseeds	Field work and harvest Storage in bulk	Oil expresser operations
Potatoes	Field work and harvest Storage in bulk in cellars Packing and bagging at potato shed	Potato chipping
Poultry	Poultry production	Hatcheries/Slaughterhouse/ Processing Plant
Seed production	Field work and harvest Sorting, packing, and storage	Seed certification
Sheep	Flock management Shearing and wool storage	Auction yard Slaughterhouse Yarn production
Sugar beets	Field work and harvest	Sugar refineries
Vegetables for fresh market (artichokes, asparagus, broccoli, carrots, cauliflower, celery, lettuce, greens, mushrooms, onions, Peppers, tomatoes)	Field work and harvest, including field pack Sorting, packing, and storage	Produce wholesalers Salad mix operations

Vegetables for processing (artichokes, asparagus, broccoli, carrots, cauliflower, celery, greens, mushrooms, onions, peppers, tomatoes)	Field work and harvest, including field pack	Cannery operations Freezer operations Drying operations
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