

## **Frequently Asked Questions Regarding Community Services and Family Self Sufficiency Liability Issues**

Congress and the Department of Housing and Urban Development have changed their collective mind as to Community Services and Family Self Sufficiency Requirements of public housing tenants.

Several HARRP members have inquired about liability and the transfer of risk to others for tenant compliance activities. Below are questions we have received and our responses.

**Q. If tenants volunteer for us, in our offices and developments, does HARRP cover those activities?**

**A.** Yes, liability arising from activities of volunteers under the “Control and direction” of the housing authority are covered for liability and errors and omissions, subject to our standard coverage exclusions.

Premiums are charged for volunteers, based on estimated hours of service, in your HARRP Renewal Data Questionnaire. This coverage excludes bodily injury to the volunteer, as these are classified as workers’ compensation injuries. It is recommended that you check with your workers comp insurance company to ensure that you can add volunteers for “medical payments only” in case they are injured while doing volunteer work for your housing authority.

Volunteers who will be: driving, working with tenants and their children, going into units and handling money or bank accounts must undergo and pass a DMV or background check, as appropriate, before they begin their volunteer work.

**Q. If a tenant is volunteering for another organization, such as another public entity or an affiliated non profit corporation, can HARRP cover the exposure?**

**A.** No. A volunteer must be under the direction and control of the Housing Authority and working on a HARRP covered housing authority property or activity.

If volunteers are provided by the housing authority to other entities, you should verify that the other entity is covered for liability and workers’ compensation. If a formal agreement is being contemplated with another entity, an indemnification agreement should be inserted into the contract. You can find an indemnification agreement for your state to use with other entities in HARRP’s contractual Risk Transfer Manual. If the other entity is uninsured, the housing authority should not provide the volunteers.

However, if your program is designed to allow tenants to solicit and document their own volunteer work with other organizations, you need not enter into an indemnity agreement with that other organization.

**Q. If we use housing authority vehicles to transport tenants to their volunteer site, should we require the tenant to sign a waiver before they get into our vehicle?**

**A.** Yes, HARRP's coverage offers no medical payments unless the HARRP driver was negligent. You can find a Release of liability for your state in HARRP's Contractual Risk Transfer Manual.

**Q. Should we ask volunteering agencies to create, on their letterhead, waivers that the volunteer must sign prior to volunteering?**

**A.** Waivers of liability are not necessary if the volunteering agency has insurance and workers' compensation and their insurance company permits coverage of volunteers as "employees."

If the volunteering agency desires to use waivers of liability, it should be reviewed by an attorney as waivers and indemnification agreements are regulated by state laws.

**Q. Our tenant wishes to operate a daycare business from their unit, to comply with Family Self Sufficiency requirements, should we allow it?**

**A.** Many types of businesses are regulated by licensing and other legal requirements. In most of HARRP member states, daycares have specific requirements before a license is issued, such as: background checks of the child care workers; fire and life safety inspections; adult to child ratios; as well as other requirements.

If the tenant can obtain that state license and provide the housing authority with evidence of insurance naming the housing authority as additional insured, you can allow daycares or any other type of business that does not increase the risk of fire or endanger the safety of other tenants. Check with your appropriate state agency and municipality regarding licensing requirements.

**Q. Where do I get a copy of HARRP's Contractual Risk Transfer Manual?**

**A.** [www.HARRP.com](http://www.HARRP.com), then click on the Procedures Tab, then on the left blue area click on, "Contr. risk transfer." The Word version allows downloading for making changes specific to contracts.

If you have other questions call Al Alvarez, HARRP's Risk Manager, at (360) 694-3500 ext 104.