Summary of Changes to ACOP and Administrative Plans

ADMISSIONS AND CONTINUED OCCUPANCY POLICY (public housing)

Introduction

1. The Introduction chapter includes several paragraphs that detail that full implementation of HOTMA is delayed indefinitely for public housing and voucher programs. Others are delayed due to delay in HUD software changes (change from PIC to HIP) and the need for all housing software to program changes to implement HOTMA. A few HOTMA changes are required or optional as of July 2025.

Chapter 1, Overview of the Program and Plan

1. Page 1-5: Includes a paragraph explaining the status of HOTMA implementation

Chapter 2, Fair Housing & Equal Opportunity—No changes

Chapter 3, Eligibility

1. Page 3-6---Included the definition of a minor (person under 18)

2. Page 3-9---More detailed definition of a foster child and foster adult

3. Page 3-18---Included the change from an annual form HUD-9886 Authorization for the Release of Information to the new form HUD-9886-A which is signed only once unless the composition of adults in the household changes.

4. Page 3-23—Includes in the list of reasons for denial if a member of the household fails to sign and submit consent forms

Chapter 4, Applications, Waiting List and Tenant Selection

1. Added two required new preferences to add someone to the public housing waiting list:
    a. Emergency Housing Transfer under VAWA for a voucher participant
    b. HCV family whose HAP contract is being terminated due to an owner failing to make repairs (abatement) and who were unable to lease a new unit within the term of the voucher

Chapter 5, Occupancy—No changes

Chapter 6, Income and Rent Determinations

1. Page 6-1---A reminder that this chapter is under the rules prior to full implementation of HOTMA (which is currently indefinitely postponed for public housing and voucher programs)

2. Page 6-10--Added more detail to the definition of “earned income” including a definition for day laborer and seasonal worker

3. Page 6-11 to 6-14—Slight change to the details on earnings of a minor and earnings of a full-time student. Removed language regarding some types of excluded income, as there is a more comprehensive list with additions later in the chapter

4. Page 6-15—Earned income disregard—Added language that explicitly states no new persons can sign up for EID after 12/31/23. Removed a lot of the EID language and confirmed that no family will receive EID after 12/31/25.

5. Page 6-18—Adds definitions of gross business income and net business income. Has a paragraph describing income of an independent contractor and confirms it is not to be thought of as Nonrecurring income.

6. Pages 6-21 to 6-26: A full discussion on student financial assistance and how it is counted as income for rent calculation purposes. It is very complicated and is dependent on the type of financial assistance received and the total tuition and other types of required fees of the student.

7. Page 6-27: Discussion of periodic payments and lump sum payments for the delayed start of SSI or social security

8. Page 6-28-- Income received from any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals is not considered actual income from assets.

9. Page 6-28—discussion of how to treat social security---(1) use gross amount, not net amount; (2) factor in the COLA for all reexaminations that will be effective Jan 1st or later; (3) if benefits are garnished, levied, or withheld to pay restitution, child support, tax debt, student loan debt, or other debts, the PHA must use the gross amount in the rent calculation

10. Page 6-29 to 6-30—Describes various types of non-recurring income which is excluded from rent calculations

11. Page 6-30: Payments made by or authorized by a state Medicaid agency (including through a managed care entity) or other state or federal agency to an assisted family to enable a member of the assisted family who has a disability to reside in the family's assisted unit are excluded.

12. Page 6-30—Civil rights settlements are excluded from income

13. Pages 6-32 to 6-37 (also pages 6-92 to 6-96) —Detailed list of excluded types of income, including some new exclusions

14. Page 6-39—More details on lump sum additions to net assets, such as a lump sum lottery winning---it counts as an asset (with income from the asset) but not as income if one-time nonrecurring

15. Page 6-43—Value of an ABLE Account is excluded from the value of household assets

16. Pages 6-45 to 6-46—More details on treatment of trusts

17. Pages 6-60 to 6-64---Medical deduction—changes to the term "medical expenses" to update to "health and medical care expenses"

18. Pages 6-81 to 6-82: Rules regarding a reasonable accommodation regarding utility allowance

Chapter 7, Verification

1. Page 7-1 and 7-2: Describes the change from an annual form HUD-9886 Authorization for the Release of Information to the new form HUD-9886-A which is signed only once unless the composition of adults in the household changes.

2. Page 7-4 and 7-8: Describes the change on when documentation gets too old. The old standard was it had to be within 60 days from when the PHA requested it. The new standard is that documentation used for verification must be dated within 120 days of receipt by the PHA. Also that we can accept a statement within the appropriate benefit year for fixed income sources.

3. Page 7-27 and later: Replaced the term "medical expense" with "health and medical care expense" in discussing the medical deduction

Chapter 8, Leasing and Inspections

1. Page 8-7 and 8-8—Describes new HUD requirement that the lease must contain a provision that describes requirement that tenants will receive notification at least 30 days before an eviction for nonpayment of rent is filed

Chapter 9, Reexaminations

1. Page 9-9—Included discussion of how to deal with Over-income public housing households regarding flat rent

Chapter 10, Pet Policy—No change

Chapter 11, Community Service Requirements—No change

Chapter 12, Transfer Policy—No change

Chapter 13, Lease Terminations

1. Page 13-8 to Page 13-13: Updated the over-income limits to the 2025 limits. Also, added more detail to the language about the first notice, 2nd notice, and final notice given to over-income households. Reminder—HACM will terminate a public housing household if they are over-income for 24 consecutive months.

2. Page 13-37 to 13-39—Additional language around the 30 day termination notices when it is for failure to pay rent.

3. Pages 13-42 to 13-59—Sample initial notification letter, 12 month notification letter (2nd letter) and final notification letter at 24 months for over-income families

Chapter 14, Grievances and Appeals

1. Page 14-17—changed the requirement for the Chair of the hearing panel from an attorney to an impartial person. The other two members of the panel are public housing residents.

Chapter 15, Program Integrity—

1. **Page 14-12: De Minimis Errors:** The PHA is not out of compliance if they make a de minimis error on adjusted income (less than $30/mo or $360/year). However, the PHA will repay the family for any overpayment of rent no matter the amount, even if it is a de minimis amount.

Chapter 16—Program Administration—No changes

ADMINISTRATIVE PLAN (vouchers)

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8. Page 3-23—Includes in the list of reasons for denial if a member of the household fails to sign and submit consent forms

Chapter 4, Applications, Waiting List, and Tenant Selection—No changes

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Chapter 5, Briefings and Voucher Issuance

1. Page 5-5--- The PHA may not discourage the family from choosing to live anywhere in the PHA's jurisdiction or outside the PHA's jurisdiction under portability, unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order.

2. Page 5-8: Additional language on items included in briefing packet—grounds for termination and requirement to notify PHA about changes in income or family composition

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6. Page 7-27 and later: Replaced the term “medical expense” with “health and medical care expense” in discussing the medical deduction

Chapter 8, NSPIRE and Rent Reasonableness Determinations:

1. This is a full re-write of the chapter to incorporate the new NSPIRE Standards (currently, HUD is requiring voucher programs to begin using NSPIRE as of 10/1/2025, but industry associations are requesting another delay).
2. It also re-writes the rules on rent reasonableness. There is no major change from prior rules, however.

Chapter 9, Leasing

1. **Page 9-3:** Clarifies the owner and the tenant submit the Request for Tenancy Approval (RFTA) and a copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A

Chapter 10, Moving with Continued Assistance and Portability—No changes

Chapter 11, Reexaminations

1. Page 11-11— If the family unit size (voucher size) changes during the term of a HAP contract, the new family unit size will be used to determine the payment standard at the family’s first regular reexamination following the change in family unit size.

Chapter 12, Termination of Assistance and Tenancy—No change

Chapter 13, Owners—No change

Chapter 14, Program Integrity—

2. **Page 14-12: De Minimis Errors:** The PHA is not out of compliance if they make a de minimis error on adjusted income (less than $30/mo or $360/year). However, the PHA will repay the family for any overpayment of rent no matter the amount, even if it is a de minimis amount.

Chapter 15, Special Housing Types—no change

Chapter 16, Program Administration—No change

Chapter 17, Project-Based Vouchers—No change

Chapter 18, PBVs under the RAD program

1. Page 18-3—Defines a RAD/Section 18 blend

2. Page 18-4---Incorporates concepts from PIH Notice 2019-23 regarding a RAD/Section 18 blend being under one HAP contract
3. Page 18-10—Confirms that relocation rules and resident relocation rights for RAD/Section 18 blends are the same as for basic RAD.

4. Page 18-15—Changed the HUD approved independent entity (IE) from Nan McKay to CVR Associates, Inc.

5. Page 18-18---Incorporated the language from PIH Notice 2025-03 regarding the cap on units that can receive RAD/PBV. Previously, no more than 50% could receive it unless there were units of supportive housing for elderly or disabled households. Now, it has changed so that there is no cap on how many units can be RAD/PBV.

6. Page 18-27-- After the expiration of a 20-year initial term of the HAP contract, the HAP contract must be renewed on a form approved by HUD, which must include language that requires rents to be re-determined in accordance with 24 CFR 983.301 and 983.302. If the RAD PBV HAP contract was renewed or extended prior to the 20th year after conversion, then starting with the 20th year after execution of the original RAD PBV HAP contract, contract rents shall be redetermined in accordance with 24 CFR 983.302 or successor regulation

7. Page 18-43: Some new lease rules after a RAD Conversion: The lease must not:

    - Require a new security deposit for residents in-place at the time of conversion,
    - Prohibit residents' pets in-place at the time of conversion.
    - Be onerous or difficult for residents to understand and should not impose overly restrictive rules about what residents may or may not do in their homes.

8. Page 18-46 to 18-48: More detail on how to deal with zero HAP original tenants at the time of a RAD conversion vs. new move-in's---for those that are original, they can live there with paying 30% of income, but there is a LIHTC limit on the maximum they can pay. For new tenants, if they become zero HAP, they have 180 days and then would be terminated if that did not change in 180 days.

9. Page 18-50—Some changes to the language around RAD and ROSS, as HUD is allowing PHAs under some circumstances to now submit an application to cover RAD properties. However, if funded, a service coordinator would only be able to serve those that live in RAD units and not in other units.
10. Page 18-53---More detail on what to do when a person is in an undercrowded or over crowded unit , in offering other options.

Chapter 19, Special Purpose Vouchers—No change