



Housing Choice Voucher Administrative Plan Revisions

Effective July 1, 2024

The Administrative Plan

The U.S. Department of Housing and Urban Development (HUD) requires the Housing Authority of Washington County (HAWC), also known as the Public Housing Authority (PHA), to revise and update the Housing Choice Voucher Program Administrative Plan whenever necessary to incorporate changes in federal law, HUD regulations, or legal operating procedures. This proposed Housing Choice Voucher Program Administrative Plan includes mandatory updates to comply with the Housing Opportunity through Modernization Act (HOTMA) and to incorporate National Standards for Physical Inspection of Real Estate (NSPIRE) as required by Federal Regulations.

HOTMA

The Housing Opportunity through Modernization Act makes changes to the Housing Choice Voucher program that streamline income and asset verifications and recertification schedules. HUD requires that HAWC update the Administrative Plan to incorporate HOTMA by July 1, 2024, and that HOTMA be fully implemented by January 1, 2025. The proposed Administrative Plan includes HOTMA compliant updates. Implementation guidance from HUD, and industry best practices for HOTMA are evolving and additional HOTMA updates to the Administrative Plan are expected between July of 2024 and January 2025. Additional HUD published information about HOTMA is linked at the end of this document.

NSPIRE

HUD has mandated that physical inspections be conducted in accordance with National Standards for the Physical Inspection of Real Estate (NSPIRE) and that PHAs discontinue the use of HUD Housing Quality Standards (HQS) for inspection. NSPIRE standards prioritize health, safety, and functionality of assisted units. The proposed Administrative Plan incorporates NSPIRE and removes references to HQS. Additional HUD published information about NSPIRE is linked at the end of this document.

Summary of Changes:

Changes to the Administrative Plan that make significant updates to departmental policy are highlighted below.

Chapter 3: Eligibility

	Section:	Proposed Change:	Mandatory <input checked="" type="checkbox"/>	HOTMA <input checked="" type="checkbox"/>
1	Part III.C: Denial of Assistance	HOTMA asset limitations	Discretionary <input type="checkbox"/>	NSPIRE <input type="checkbox"/>

Proposed Policy:	Chapter 3, Part III has been modified to include mandatory changes restricting admissions for families with net assets exceeding \$100,000 or families that own real estate suitable for the family to live in. There are qualifications and exemptions from both requirements. This policy takes effect for program admissions on or after January 1, 2025. <i>Note: retirement accounts recognized by the IRS are excluded by HOTMA and will not be considered when determining eligibility.</i>
Current Policy:	Currently there is no restriction on assets at program admission.

Chapter 8: National Standards for the Physical Inspection of Real Estate (NSPIRE) and Rent Reasonableness Determinations

2	Section:	Proposed Change:	Mandatory <input checked="" type="checkbox"/>	HOTMA <input type="checkbox"/>
	Whole Chapter Update	NSPIRE Inspection Standards	Discretionary <input type="checkbox"/>	NSPIRE <input checked="" type="checkbox"/>

Proposed Policy:	Chapter 8 has been updated to include new NSPIRE inspection standards.
Current Policy:	This chapter previously described inspections based on Housing Quality Standards (HQS). HQS is no longer compliant with HUD program requirements.

Chapter 10: Moving with Continued Assistance and Portability

3	Section:	Proposed Change:	Mandatory <input type="checkbox"/>	HOTMA <input type="checkbox"/>
	Part I.C Moving with Continued Assistance	Add guidance for Zero HAP families who wish to move	Discretionary <input checked="" type="checkbox"/>	NSPIRE <input type="checkbox"/>

Proposed Policy:	A "Zero HAP" family is a family whose income has increased to the point where they are not currently receiving Housing Assistance Payments (HAP), but who are still program participants. The proposed policy indicates that when a Zero HAP household wishes to move, they may be issued a voucher, however if no subsidy will be paid at the unit to which they request to move, the PHA will not enter a HAP contract at the new unit. This does not change the other rights or responsibilities of Zero HAP families under the program. The proposed policy aligns with the Code of Federal Regulations, and with current practice.
Current Policy:	Currently there is no guidance in the Administrative Plan for Zero HAP families who wished to move.

Chapter 11A: Reexaminations Effective prior to January 1, 2025

4	Section:	Proposed Change:	Mandatory <input checked="" type="checkbox"/>	HOTMA <input checked="" type="checkbox"/>
	Introduction	Set an end date of January 1, 2025 for reexamination policies non-compliant with HOTMA	Discretionary <input type="checkbox"/>	NSPIRE <input type="checkbox"/>

Proposed Policy:	Chapter 11A contains current policies for reexamination. These policies have not been updated to include mandatory HOTMA updates. The proposed administrative plan sets an end date of January 1, 2025 for the application of these HOTMA non-compliant policies and indicates that reexaminations effective after January 1, 2025 will be conducted in accordance with HOTMA compliant practices described in chapter 11B.
Current Policy:	Current policy does not set an end date set for the application of policies that are not compliant with HOTMA

Chapter 11B: Reexaminations Effective on or after January 1, 2025

5	Section:	Proposed Change:	Mandatory <input checked="" type="checkbox"/>	HOTMA <input checked="" type="checkbox"/>
	Whole Chapter	Set an effective date of January 1, 2025 for HOTMA compliant reexamination policies	Discretionary <input type="checkbox"/>	NSPIRE <input type="checkbox"/>

Proposed Policy:	Chapter 11B contains HOTMA compliant policies for reexamination, sets an effective date of January 1, 2025 for the application of HOTMA compliant policies, and indicates that reexaminations effective prior to January 1, 2025 will be conducted in accordance with current practices described in chapter 11A.
Current Policy:	HOTMA complaint policies impacting recertification are not included in the current administrative plan

Chapter 14: Program Integrity

	Section:	Proposed Change:	Mandatory <input checked="" type="checkbox"/>	HOTMA <input checked="" type="checkbox"/>
6	II.D Corrective Measures and Penalties	Includes updated HUD guidance on "De Minimis" errors	Discretionary <input type="checkbox"/>	NSPIRE <input type="checkbox"/>

Proposed Policy:	"De Minimis" errors are errors where the PHA determination of family income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income per family. The proposed policy language incorporates HOTMA compliant HUD regulations stating that the PHA will not be considered out of compliance for De Minimis errors, and that the PHA will reimburse families for overpayment of rent caused by De Minimis errors, or other PHA caused errors.
Current Policy:	The current policy does not include HUD regulations regarding De Minimis errors

Chapter 16: Program Administration

	Section:	Proposed Change:	Mandatory <input type="checkbox"/>	HOTMA <input type="checkbox"/>
7	Part III: Informal Reviews and Hearings	Add language clarifying the PHA's responsibility to ensure that informal reviews and hearings are accessible to program participants	Discretionary <input checked="" type="checkbox"/>	NSPIRE <input type="checkbox"/>

Proposed Policy:	The proposed policy includes additional information regarding the PHA's responsibility to ensure that a lack of access to technology or an inability to use technology does not pose a disadvantage to families attending a remote informal review or informal hearing, and to ensure that participants can fully participate in the meeting.
Current Policy:	The current policy indicates that the PHA must ensure that parties have access to the hearing, but does not provide as much detail about the PHA responsibility to ensure accessibility

	Section:	Proposed Change:	Mandatory <input type="checkbox"/>	HOTMA <input type="checkbox"/>
8	Part IV: Owner of Family Debts to the PHA	Clarify current procedures related to repayment agreements. Establish a limit of \$10,000 for eligibility to enter a repayment agreement.	Discretionary <input checked="" type="checkbox"/>	NSPIRE <input type="checkbox"/>

Proposed Policy:	The proposed policy clarifies current practices regarding repayment agreements for families that have been charged less rent than required due to family underreporting of income, failure to report income, or fraud. This includes simplifying language related to families who have previous repayment agreements and clarifying PHA procedure for debts that exceed \$10,000. The proposed policy sets an upper limit of \$10,000 of family debt to the PHA for eligibility to enter into a repayment agreement. It also indicates that families may not enter a second repayment agreement unless the previous agreement has been paid in full. It also updates references to include HUD guidance about repayment agreements in PIH notice 2018-18, These changes clarify, but do not alter current practice.
Current Policy:	The current policy is unclear about circumstances where family debt exceeds \$10,000 (the threshold for criminal prosecution) or circumstances where families already have repayment agreements in place.

Chapter 18: Emergency Housing Vouchers (EHVs)

	Section:	Proposed Change:	Mandatory <input checked="" type="checkbox"/>	HOTMA <input type="checkbox"/>
9	Whole Chapter	Include updated language reflecting HUD guidance on EHV administrative costs and voucher turnover	Discretionary <input type="checkbox"/>	NSPIRE <input type="checkbox"/>

Proposed Policy:

The proposed policy incorporates HUD regulations regarding Emergency Housing Voucher (EHV) administrative fees, and voucher issuance at turnover within the program. These updates reflect mandatory guidance on program administration but do not directly impact families currently participating in EHV.

Current Policy:

The current policy contains outdated information on EHV administrative fees and does not incorporate PIH 2023-14 guidance on voucher turnover and over-leasing.

References:

More information on HOTMA, NSPIRE, and EHV can be found by following the links below.

PIH Notice 2023-27 Implementation Guidance: Sections 102 and 104 of the Housing Opportunity Through Modernization Act of 2016 (HOTMA)

<https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-27pihn.pdf>

HUD Published Assets, Asset Exclusions, and Limitation on Assets Resource Sheet

<https://files.hudexchange.info/resources/documents/Assets-Asset-Exclusions-and-Limitation-on-Assets-Resource-Sheet.pdf>

HUD Website: National Standards for the Physical Inspection of Real Estate (NSPIRE)

https://www.hud.gov/program_offices/public_indian_housing/reac/nspire

HUD Published HOTMA Interim Income Reexaminations Resource Sheet

<https://files.hudexchange.info/resources/documents/Interim-Income-Reexaminations-Resource-Sheet.pdf>

PIH Notice 2023-14 Emergency Housing Voucher (EHV): Guidance on Termination of Vouchers Upon Turnover After September 30, 2023 and EHV Shortfalls due to Per-Unit Cost Increases or Overleasing

https://www.hud.gov/sites/dfiles/PIH/documents/PIH_2023-14pihn.pdf