



Legislation Details (With Text)

File #: 24-0481 **Version:** 1 **Name:** Resolution AAHC to Approve Admin Plan for HOTMA
Type: Resolution **Status:** Filed
File created: 3/25/2024 **In control:** Housing Commission
On agenda: 3/20/2024 **Final action:** 3/20/2024
Enactment date: **Enactment #:**

Title: Resolution to Approve Allowable HOTMA Changes and Amend HCV Administrative Plan

Sponsors:

Indexes:

Code sections:

Attachments: 1. HOTMA_HIP_Update_2.23.2024.pdf

Date	Ver.	Action By	Action	Result
3/20/2024	1	Housing Commission	Approved by the Commission	Pass

Resolution to Approve Allowable HOTMA Changes and Amend HCV Administrative Plan
On February 14, 2023, HUD published the Final Rule implementing sections 102, 103, and 104 of the Housing Opportunity Through Modernization Act of 2016 (HOTMA). On, September 29, 2023, HUD issued a revised Form HUD-50058 to comply with the new HOTMA requirements and Notice PIH 2023-27 to provide guidance to PHAs on how to implement the HOTMA regulations described in the final rule. HUD then issued a revised version on February 2, 2024.

These program regulation changes must be included in the agency's Administrative Plan, which describes the policy and procedure for administering the Housing Choice Voucher program. Also, HUD's Office of Public and Indian will replace its Inventory Management System/PIH Information Center (IMS/PIC) with the Housing Information Portal (HIP) system, which is required for full HOTMA implementation. Furthermore, the AAHC Housing Choice Voucher (property) management software (Yardi) must be updated to meet the HIP system standards.

On February 29, 2024, we were notified by HUD that agencies cannot implement the income and asset requirements in Sections 102 and 104 of HOTMA without having access to the revised HUD-50058 in HIP. Therefore, PHAs must continue to report HUD-50058 transactions to the Inventory Management System/PIH Information Center (IMS/PIC) until instructed to do otherwise.

As of January 1, 2024, all PHAs are required to stop enrolling new families in the Earned Income Disallowance (EID). Other HOTMA changes are not dependent on transitioning to the HIP system, PHAs have to option of immediate implementation. Staff recommend implementing the following provisions of HOTMA immediately:

- Form HUD-9886-A
 - May begin having families sign 1/1/24 and later
- Safe Harbor Income Verifications
 - Allows PHAs to use income determinations from other means-tested federal public assistance programs to verify annual income
- Verification Hierarchy
 - Third-party verification dated within 120 days of the date received by the PHA
 - May accept a statement dated within the appropriate benefit year for fixed income sources
- Verification of SSNs
 - If the individual is not able to provide documentation of SSN, the PHA may accept a self-certification of SSN along with a third-party document as a last resort
- Zero Income Reviews
 - PHAs are not required to conduct periodic zero income review
 - PHAs may accept self-certification as the highest form of verification for zero income

Once HUD release use of the HIP system, the PHA's policies have been updated and the PHA's software is able to submit transactions to HIP, the PHA may begin fully implementing HOTMA. The PHA selects a date for full compliance with HOTMA, no later than January 1, 2025. All transactions with an effective date on or after the PHA's compliance date must follow HOTMA regulations and the PHA's updated HOTMA policies.

Prepared By: Weneshia Brand, Deputy Director, Ann Arbor Housing Commission
Approved By: Jennifer Hall, Executive Director, Ann Arbor Housing Commission

Whereas, HUD published the Final Rule implementing the Housing Opportunity Through Modernization Act of 2016 (HOTMA), in February 2023;

Whereas, on February 29, 2024, PHAs were notified by HUD that agencies cannot implement the income and asset requirements in Sections 102 and 104 of HOTMA without having access to the revised HUD-50058 in HIP;

Whereas, as of January 1, 2024, all PHAs are required to stop enrolling new families in the Earned Income Disallowance EID and may immediately implement other HOTMA changes not dependent on transitioning to the HIP system);

Whereas, AAHC amend it HCV Administrative Plan to implement the following HOTMA provisions: Form HUD-9886-A, Safe Harbor income verifications, verification hierarchy, self-certification of SSN along with a third-party document as a last resort, and stop periodic zero income reviews and allow self-certification verification for zero income.

RESOLVED, That the City Administrator be authorized to take any necessary administrative actions to complete this transaction.