

Introduction

INFORMATION ON THE HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT

On July 29, 2016, the Housing Opportunity through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA made numerous changes to statutes governing HUD programs, including Sections 8 and 16 of the United States Housing Act of 1937, which governs the Housing Choice Voucher (HCV) programs.

On February 14, 2023, HUD issued a final rule in the *Federal Register* amending regulations related to income, assets, adjusted income, verification, and reexams (among others) to implement Sections 102 and 104 of HOTMA. While the new regulations were effective January 1, 2024, HUD has delayed the full compliance date for HOTMA 102/104.

Public housing authorities (PHAs) remain unable to fully comply with HOTMA 102/104 because compliance depends on transitioning from HUD's IMS/PIC system to HUD's new Housing Information Portal (HIP) system. PHAs cannot transition to HOTMA until HIP is in place, HOTMA-compliant, and accessible.

On December 18, 2024, HUD published Notice PIH 2024-38, which identifies provisions in HOTMA 102/104 that the FCRHA must comply with no later than July 1, 2025. The notice states that all transactions with an effective date on or after July 1, 2025, must be processed using requirements in the notice. The July 1, 2025, compliance deadline does not apply to other HOTMA 102/104 provisions not listed in the notice. Other provisions are still dependent on HIP implementation and may not be implemented yet.

In accordance with HOTMA, the FCRHA must:

- Have stopped enrolling families into the EID as of 12/31/23;
- Transition to the new Form HUD-9886-A no later than 2/1/25;
- Apply HOTMA 102/104 income exclusions listed in [24 CFR 5.609\(b\)](#) (including new requirements for student financial assistance) for all income examinations effective on or after 7/1/25;
- Apply provisions related to de minimis errors; and
- Use the following new HOTMA 102/104 definitions listed in the regulations for all transactions effective on or after 7/1/25:
 - Earned income
 - Unearned income
 - Family
 - Day laborer
 - Independent contractor
 - Dependent
 - Foster child and foster adults
 - Health and medical care expenses
 - Minor

More details about each of the above provisions can be found in Notice [PIH 2023-27](#).

All other provisions of HOTMA 102/104 are on hold as of the date of this publication.

ABOUT THE ADMINISTRATIVE PLAN

REFERENCES CITED IN THE MODEL ADMINISTRATIVE PLAN

The authority for Public Housing Agency (PHA) policies is derived from many sources. Primary among these sources are federal statutes, federal regulations, and guidance issued by the U. S. Department of Housing and Urban Development (HUD). State law also directs PHA policy. State law must be followed where such law exists and does not conflict with federal regulations. Industry practice may also be used to develop policy as long as it does not conflict with federal requirements or prohibitions. The Fairfax County Redevelopment and Housing Authority (FCRHA) is part of the Moving to Work (MTW) Demonstration Program and policies are influenced by activities in the MTW Annual Plans.

HUD

HUD provides the primary source of PHA policy through federal regulations, HUD notices, and handbooks. Compliance with federal regulations, current HUD notices, and current HUD handbooks is mandatory.

HUD also provides guidance to PHAs through other means such as HUD-published guidebooks, expired HUD notices, and expired handbooks. Basing PHA policy on HUD guidance is optional, as long as PHA policies comply with federal law, federal regulations and mandatory policy. Because HUD has already determined that the guidance it provides is consistent with mandatory policies, PHA reliance on HUD guidance provides the PHA with a “safe harbor.”

Material posted on the HUD website can provide further clarification of HUD policies. For example, FAQs on the HUD website can provide direction on the application of federal regulations in various aspects of the program.

State Law

Where there is no mandatory federal guidance, PHAs must comply with state law, if it exists. Where state law is more restrictive than federal law, but does not conflict with it, the PHA should follow the state law.

Industry Practice

Where no law or HUD authority exists on a particular subject, industry practice may support PHA policy. Industry practice refers to a way of doing things or a policy that has been adopted by a majority of PHAs.

RESOURCES CITED IN THE MODEL ADMINISTRATIVE PLAN

The administrative plan cites several documents. Where a document or resource is cited frequently, it may be abbreviated. Where it is cited only once or twice, the model administrative plan may contain the entire name of the document or resource. The following is a key to abbreviations used for various sources that are frequently cited in the administrative plan and a list of references and document locations that are referenced in the administrative plan.

HUD HCV Guidebook

In November 2019, HUD began issuing a new version of the HCV Guidebook chapter-by-chapter. Unlike the previous version of the HCV Guidebook in which chapters were numbered, the new version of the guidebook includes chapter names, but no numbers. As the new version of the guidebook has not yet been fully released, and since the previous version of the guidebook contains guidance not found in the new version, the policy cites both versions of the guidebook. Therefore, where the HCV Guidebook is cited in the policy, the citation will make a distinction between the “old” and “new” versions of the guidebook. The “old” version of the guidebook will continue to be cited as *HCV GB* with a chapter/page reference (example: HCV GB, p. 5-4). If HUD has also released a new chapter on the same topic with information that either adds new information or updates existing information from the previous guidebook, the new guidebook will be cited as *New HCV GB* with a chapter title and page reference (example: New HCV GB, *Payment Standards*, p. 11).

Abbreviations

Throughout the model administrative plan, abbreviations are used to designate certain documents in citations. The following is a table of abbreviations of documents cited in the model administrative plan.

Abbreviation	Document
CFR	Code of Federal Regulations
HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), April 2001.
New HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), Various dates of release
HUD-50058 IB	HUD-50058 Instruction Booklet
RHIIP FAQs	Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions.
VG	PIH Notice 2004-01 Verification Guidance, March 9, 2004.
HB 4350.3	Occupancy Requirements of Subsidized Multifamily Housing Programs

Resources and Where to Find Them

The HUD website is <https://www.hud.gov/>.

Guidebooks, handbooks and other HUD resources may be found at the HUDClips website: https://www.hud.gov/program_offices/administration/hudclips.

The new HCV Guidebook may be found at: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/guidebook

The following is a list of resources helpful to the PHA or referenced in the administrative plan, and the online location of each.

Document and Location
Code of Federal Regulations https://www.ecfr.gov/
Earned Income Disregard FAQ https://www.hud.gov/program_offices/public_indian_housing/phr/about/ao_faq_eid
Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Final Rule http://edocket.access.gpo.gov/2008/pdf/E8-19435.pdf
Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data https://www.hud.gov/sites/documents/EIVSECGUIDEPHA.PDF
Executive Order 11063 https://www.archives.gov/federal-register/codification/executive-order/11063.html
Federal Register https://www.federalregister.gov/
Housing Choice Voucher Program Guidebook (7420.10G), Updated Chapters https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/guidebook
HUD-50058 Instruction Booklet https://www.hud.gov/sites/documents/FORM50058INSTRUCTBOOKLET.PDF
Joint Statement of the Department of Housing and Urban Development and the Department of Justice, issued May 17, 2004 https://www.justice.gov/sites/default/files/crt/legacy/2010/12/14/joint_statement_ra.pdf
Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 https://www.lep.gov/guidance/HUD_guidance_Jan07.pdf
Notice PIH 2010-26 (HA), Nondiscrimination and Accessibility Notice https://www.hud.gov/sites/documents/DOC_8993.PDF
Notice PIH 2017-12, Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System https://www.hud.gov/sites/documents/PIH2017-12EIVNOTICE.PDF
Notice PIH 2018-24, Verification of Social Security Numbers (SSNs) and Social Security (SS) and Supplemental Security Income (SSI) Benefits; and Effective Use of the Enterprise Income Verification (EIV) System's Identity Verification Report https://www.hud.gov/sites/dfiles/PIH/documents/PIH-2018-24_EIV_SSN_Notice_FINAL.pdf
OMB Circular A-133 https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/circulars/A133/a133.pdf

Project-Based Voucher Program; Final Rule http://www.gpo.gov/fdsys/pkg/FR-2005-10-13/pdf/05-20035.pdf
VAWA Final Rule http://www.gpo.gov/fdsys/pkg/FR-2010-10-27/pdf/2010-26914.pdf
MTW Annual Plans for the FCRHA https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw/fairfax