

Proposed Summary of Changes
2024 Admissions and Continued Occupancy Policy (ACOP)
City and County
Effective January 1, 2024

Below is a summary of changes to be incorporated into the 2024 Admissions and Continued Occupancy Policy (ACOP). The changes in **Green** text represent HUD regulation and/or regulatory changes mandated per HUD's Public and Indian Housing (PIH) Notices or regulatory changes. Changes in **Blue** represent additional changes suggested by staff. Staff recommendations are discretionary at the local level, permitted by HUD, and can be adopted by the Boards of Commissioners. Changes in **Orange** represent significant changes proposed by staff. *These recommendations may change during Public Comment.*

Required Changes – Green

VAWA Definition

1. VAWA definition now includes protections for **economic** and **technological** abuse

Required Changes – Blue

VAWA Protections

1. VAWA 2022 does not include protections against Human Trafficking. Several PIH Notices issued in 2022 include this protection and HUD continues to use that language. We have updated the ACOP to mirror that language. (PIH Notices 2022-6, 2022-22, and 2022-24)

Required Changes and additions

Chapter 2

1. **Section 2.2** - In January 2023, HUD published the Respondent Obligations in Fair Housing Investigations Interactive Diagram. FH added procedures based on HUD recommendations.
2. **Section 2.4** - Notice FHEO 2023-01 Requires PHA's to spell out procedures on how they will handle complaints from applicants or residents related to their status as a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking

Chapter 3

1. **Section 3.3** Family Break Up and Remaining Member of Resident Family – FH included human trafficking to the VAWA protection that gives VAWA victims preference over other family members in situations where the family breaks up.

Chapter 13

1. **Section 13.7** – Termination of tenancy for families’ over-income for 24 consecutive months.
 - a. HUD will allow FH to grant an additional 6 month of housing beyond the consecutive 24 month period after initial determination

Chapter 6

1. **Section 6.22** – Added “alternate non-public housing rent” to TTP Formulas
2. **Section 6.7** – Removed grandfathered Lifetime Limitation language for EID.
3. **Section 13.7** - Over-income families can only request interim redetermination of rent during the initial 24 month period following initial over-income determination

Chapter 9

1. **Introduction** – HOTMA– Over income families will not be required to complete annual certifications after the initial 24-month period.

Staff Recommendations

Chapter 6

1. **Section 6.22** – TTP Formula [24 CFR 5.628] – Staff proposes to change minimum rent from \$50 to \$25 [24 CFR 5.630]

Chapter 9

2. **Section 9.9** – Added language related to deadlines for completing annual certifications

Required Changes-

1. **Section 6.0- Annual Income-** HOTMA. Name and section updated to Annual Income Inclusions. Section condensed due to HOTMA removing the examples of INCLUDED income sources and provides a broader definition. It now includes an expanded and clarified list of income EXCLUSIONS.
2. **Section 6.2-Calculation of Income-** HOTMA - Name and section updated to Calculation of Income. 1st paragraph removed and updated guidelines on calculating annual income. The current policy does not allow the PHA to use other sources of income in the determination of program eligibility. HOTMA allows the PHA the discretion to determine the family’s income using determinations made by agencies listed.
3. **Section 6.3 Other Income determinations-**HOTMA added section to align with HOTMA regarding the use of other programs’ determination of income.
4. **Section 6.3 -Added language regarding De Minimis Errors-** HOTMA – Added section. PHA will not be considered out of compliance due to De Minimis errors in calculating

family income where the determination of family's income varies by no more than \$30 per month in monthly adjusted income.

5. **Section 6.4-Annual Income Exclusions-** HOTMA – updated this Section to Annual income Exclusions. This section will now be comprised of the new 24 CFR 5.609 (b) for examples of Annual Income EXCLUSIONS.
6. **Section 6.5-Earned Income Disallowance-**HOTMA, Earned Income Disallowance will no longer be an option effective 1/1/2024. EID will be available only to families that are eligible for and already participating in the program on the effective date of the final rule; no new families may be added.
7. **6.7 Assets -**. Added Restriction on Assistance to families based on assets language consisted with HOTMA 24 CFR 5.618
8. **Section 6.18 -**Unreimbursed medical expenses may be deducted to the extent that, in combination with exceed ten percent instead of three percent of annual income.
9. **Section 6.17-**Updated Name and section to health and medical care expense deduction. Health and medical is permitted only for families in which the head, spouse, or co-head is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted.
10. **Section 6.18- Disability Assistance Expenses-** HOTMA - Guidance for deduction for Disability Assistance Expenses updated from 3% to 10% to be phased in over 2 years
11. **Section 7.6 and 7.7** Verification of Assets FH may accept a family's declaration if the amount of assets is equal to or less than \$50,000 instead of \$5,000
12. **Section 9.18- Section Two: Interim Reexaminations-** Update to Interim Reexaminations based on HOTMA guidance. Percentage thresholds have been added for PHAs to determine whether to process a change reported by the family. In addition, effective dates for implementing reported changes have been clarified.

Glossary

1. **Added definitions as listed in HOTMA.**

Seasonal worker 24 CFR 5.603(b): An individual who is hired for a short-term position where employment begins about the same time each year, typically they are hired to address seasonal demands.

Day laborer 24 CFR 5.603(b): An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future.

Independent contractor 24 CFR 5.603(b): An individual who qualifies as an independent contractor, instead of an employee, under IRS federal income tax requirements and whose earnings are subject to the self-employment tax.

Income Definitions—24 CFR 5.609 (a): Income is now defined broadly with an expanded and clarified list of income exclusions. Annual income includes all amounts received from all sources by each adult family member 18 years or older or the head of household or their spouse, plus unearned income by or on behalf of each dependent under 18 years, plus income from assets.

- **Income Exclusions—24 CFR 5.609(b):** See the [Income and Exclusions Resource Sheet](#) for the list of all excluded amounts.
- **Student Financial Assistance—24 CFR 5.609(b)(9):** See the [Student Financial Assistance Resource Sheet](#) for information on deductions, exclusions, and calculating exclusions.

Income from Assets—24 CFR 5.609(a): In general, income from assets is considered income. If it is possible to calculate actual returns from an asset, the PHA should use that amount. If it is not possible to calculate an actual return on an asset, the PHA must impute income from assets based on the current passbook savings rate as determined by HUD when the family has net assets over \$50,000 (adjusted annually by CPI-W). See the [Asset Resource Sheet](#) for the list of all excluded amounts.

Calculation of Income — 24 CFR 5.609(c): For initial occupancy/assistance and interim reexaminations, the PHA must estimate the family income for the upcoming 12-month period using current income. For all annual reexaminations, the PHA must determine the family income for the previous 12-months **unless** using a streamlined income determination, taking into account any redetermination from an interim reexamination and any unaccounted for income changes.

Interim Income Reexaminations — 24 CFR 960.257(b), 982.516(c), and 882.515(b): A family may request an interim reexamination because of family income or composition changes since the last examination. An interim reexamination should be conducted when a family's adjusted income decreases by 10% or more (or lower threshold per HUD or PHA policy). An interim reexamination should also be conducted when a family's adjusted income increases by 10% or more; however, the PHA may not consider any increase in the *earned* income of the family when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the certification period. See the [Interim Reexaminations Fact Sheet](#).

Safe Harbor: Income Determinations from Other Programs—24 CFR 5.609(c)(3): The PHA may determine a family's pre-deduction income based on income determinations made by other means-tested federal public assistance programs within the previous 12-months. PHAs are not required to use this method.

Eliminates the Earned Income Disregard: Only families already participating in EID on the

effective date of the final rule may continue receiving the benefits up to 2 years from that date. Families receiving the Jobs plus Earned Income Disregard pursuant to the FY2022 NOFO or earlier may continue to receive the EID under the terms of the NOFO.

Mandatory Deductions — 24 CFR 5.611 (a)(1)-(a)(2): Changes the mandatory deduction amounts to \$480 per dependent and \$525 per elderly and disabled family. These amounts are 2024 figures, adjusted annually for inflation and rounded to the next lowest multiple of \$25.

Health and Medical Expense Deduction — 24 CFR 5.611(a)(3): Increases the threshold for the deduction of unreimbursed health and medical care expenses plus unreimbursed reasonable attendant care and auxiliary apparatus expenses that enable employment to 10% of annual income.

Permissive Deductions — 24 CFR 5.611(b): A PHA may adopt, through written policies, additional deductions from annual income. PHAs will not be eligible for additional HUD funding based on application of these deductions.

Hardship Exemptions to the Health and Medical Expenses Deduction — 24 CFR 5.611(c)(1)-(c)(2): There are two categories of hardship exemptions to the new 10% threshold for unreimbursed health and medical expenses: a phase-in for families already receiving a deduction for expenses over 3% of their income and a general hardship exemption.

Exemption to Continue the Child Care Expense Deduction — 24 CFR 5.611(d): A family whose eligibility for the child care expense deduction is ending may request a financial hardship exemption to continue the deduction.

Limitation on Assets — 25 CFR 5.618(a): The new rule restricts families from receiving public housing or Section 8 benefits if their net family assets exceed \$100,000 (as adjusted annually) or if the family owns real property deemed suitable for the family to live in.

Exclusion from Assets — 24 CFR 5.603(b)(3): There are new exclusions from assets, including related to necessary items of personal property, non-necessary items of personal property when the total value does not exceed \$50,000 (as adjusted), and real property that the family does not have the legal authority to sell.

See the [Assets, Asset Exclusions, and Limitation on Assets Resource Sheet](#) for a complete list and more information on exclusions and real property.

