

**Proposed Summary of Changes
2024 Housing Choice Voucher (HCV) Administrative Plan
Effective January 1, 2024**

Below is a summary of changes incorporated into the 2024 HCV Administrative Plan. The changes in **green** text represent HUD regulation and/or regulatory changes. Changes highlighted in **Yellow** represent significant proposed changes. Significant changes are those that impact the eligibility and admissions policies as delineated by HUD. Changes in **Blue** represent additional changes recommended by staff and are discretionary at the local level, permitted by HUD, which can be adopted by the Boards of Commissioners. Changes in **Orange** will later represent additional changes received during the comment period.

Chapter 1: Statement of Policies and Objectives

1. **Section 1.8- Violence Against Women Act (VAWA) 2013-** Due to the amendment and reauthorization of VAWA, the section name and overview has been updated to “Violence Against Women Act Reauthorization Act of 2022 (VAWA 2022).”
2. **Section 1.19- Use of Housing Choice Voucher (HCV) and Mainstream Voucher Administrative Fees for Other Expenses to Assist Families to Lease Units-** Section added to provide guidance on the use of HCV and Mainstream vouchers ongoing administrative fees in the future. PIH Notice 2022-18.

Chapter 2: Applications and Interest List

3. **Section 2.1 – Introduction** – Random lottery draws will be used as the methodology to select applicants from the interest list to create the waiting list, as needed. A final draw/purge may be completed **as needed**.
4. **Section 2.5.6-Separate Interest List for Housing Authority Programs-** In accordance with HUD regulations (24 CFR 982.205 (a)(2)(ii)) at the time an applicant is applying for HCV assistance, if pre-applications are being accepted for its public housing or PBV program, the family must be offered an opportunity to apply for the other program. **FH will notify these applicants by the same means it would use when opening its interest list.**
5. **Section 2.9.1-Purging the Interest List or Waiting List** – Due to no longer administering 2 separate wait lists, this section has been removed.

Chapter 3: Selection From the Interest List for Admission

6. **Section 3.5- Full Application Completion-** For the HCV and PBV programs, applicants may be given up to 30 calendar days to complete the intake online or to submit the intake application via paper packet.

7. **Section 3.8- Final Eligibility Determination-** Once Applicants are given 30 days to complete their application when they are selected. If the leasing specialist needs more documentation, they are given an additional 10 calendar days to provide missing information.

Chapter 4: Eligibility for Admission

8. **Section 4.4.4- Definitions Related to Family Composition-** The length of time a family is given to replace a live-in aide is increasing from 30 to 60 days.
9. **Section 4.19- Additional Prohibitions-** Added bullet based on HOTMA guidelines to include Restrictions on assistance to families based on assets 24 CFR 5.618. New asset restriction
10. **Section 4.20-Screening for Admission-** Evicted from Federally Assisted Housing: Current FH policy prohibits admission of applicants for three years from date of eviction from federally assisted housing for drug-related criminal activity. FH will now allow admission if applicant can provide verification that the member who was engaged in such activity has completed supervised drug-rehab or is no longer in the household. (Not to be confused with mandatory denials for screening out applicants for producing methamphetamine on federal property).

Chapter 6: Income and Rent Determinations

11. **Section 6.2- Annual Income-** HOTMA - Name 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.
12. **Section 6.2.1-Annual Income Exclusions-** HOTMA - Previously Section 6.2. This section will now be comprised of the new 24 CFR 5.609 (b) for examples of Annual Income EXCLUSIONS.
13. **Section 6.2.3-Anticipating Annual Income-** HOTMA - Name and section updated to 6.2.2 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.
14. **Section 6.2.4 De Minimis Errors-** HOTMA – 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.
15. **Section 6.4- Income from Assets-** HOTMA - Name and section updated to 6.5 Restriction on Assistance to Families Based on Assets. Added list of restrictions as listed in 24 CFR 5.618

16. [6.10-Adjusted Income](#)- HOTMA - Updated section with a more detailed list of deductions, allowances, and expenses based on HOTMA guidance.
17. [Section 6.13.6 - Energy Efficient Utility Allowances for Tax Credit Properties](#) - This section is outdated and has served its purpose, therefore, will be deleted from the Admin Plan.

Chapter 7: Verification Procedures

18. [Section 7.7- Verification of Assets](#)- HOTMA - Added net family assets equal to or less than \$50,000 can be self-certified and must be verified every third year as explained in HOTMA final rule.
19. [Section 7.8.2- Medical Expenses](#)- HOTMA - Name updated to Health and Medical Care Expenses. HUD is revising the definition “medical expenses” in § 5.603 to “health and medical care expenses” consistent with the language used in HOTMA. HOTMA increases the allowance for unreimbursed health and medical care expenses from 3% of annual income to 10%, phased-in over two years.
20. [Section 7.8.3- Disability Assistance Expenses](#)- HOTMA - Guidance for deduction for Disability Assistance Expenses updated from 3% to 10% to be phased in over 2 years.
21. [Section 7.9.1-Verification of Legal Identity](#)- Name updated to Verification of Legal Identity and Documentation of Age. Added clarification to the list of acceptable documents for verifying legal identity and the age of all household members.
22. [Section 7.9.2 – Adding Household Members](#) – added clarity to when adult members could be added to the household.

Chapter 8: Voucher Issuance and Briefings

23. [Section 8.5- Term of Voucher](#)- Updated to: FH may set the voucher term at 60 days or longer depending on market conditions, vacancy rates and time to lease (leasing success rates). Policy must be responsive to market conditions and leasing success rates.

Chapter 9: RFTA and Contract Execution

24. [Section 9.3.2-Special Housing Types](#) – Requests for Tenancy Approvals will be accepted for special housing types to expand housing opportunities. Reasonable Accommodations will no longer be required with the exception of Cooperative Housing.
25. [Section 9.13-Change in Ownership](#)- Included a requirement for the new owner to sign a written agreement to comply with the terms of the HAP contract to ensure new owners are aware of the HAP contract requirements.

Chapter 10: Housing Quality Standards and Inspections

26. [Section 10.2 –Guidelines/Types of Inspections: FH-Owned units-](#) The independent agency will notify FH of the inspection results and FH will notify the family and owner of the inspection results. Previously, stated the independent agency will contact the family and FH.
27. [Section 10.5- Consequences if Family is Responsible-](#) A failed item that is caused by the tenant may be listed as the responsibility of the owner to repair. It is at the owner’s discretion to charge the tenant for the cost to correct the failed item.

Chapter 11: Payment Standards and Rent Reasonableness, and Owner Rents

28. [Section 11.9- Rent Adjustments/Modifications-](#) Added new rent increase policy: Rent increases may not exceed more than 5% plus the percentage change in the cost of living (CPI), as defined, or 10%, whichever is lower (Civil Code section 1947.12).

The owner/agent must provide a copy of the written 60-day notice to increase rent to both the family and FH. The effective date of the rent increase will be the first day of the month following 60 days after FH’s receipt of the owner’s request, or the date specified by the owner, whichever is later.

Chapter 12: Reexaminations

29. [Section 12.8- 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.
30. [Section 12.9- Changes in Family and Household Composition-](#) Combined section 12.9.1 with 12.9. Determinations made on the additional family members FH “will” and “may” approve.

Chapter 16: Family Self-Sufficiency (FSS) Program

Throughout this chapter: Replaced “Head of Household” with “Head of FSS Family” and replaced “interest list” with “waiting list” to remain consistent with the FSS Action Plan.

Full Chapter updated to remain consistent with FSS Action Plan and mandatory HUD changes.

Chapter 19: Reviews, Hearings and Other Appeals

Chapter name changed to Informal Reviews and Hearings. Streamlined chapter to coincide with Nan McKay version and clarified processes.

Clarified the difference between a hearing and review and the types of decisions that can be appealed.

Reviews and hearings will now be conducted virtually unless an in-person request is made by the family.

Section added to ensure accessibility for persons with disabilities and LEP individuals.

Hearing decision now 10 business days, formerly 14 calendar days.

Chapter 21: S8 Homeownership

Chapter name changed to Special Housing Types

Special Housing types added to expand housing options for individuals and families searching for housing. Reasonable accommodation no longer required (except Cooperative Housing) and expanded definitions.

- Single Room Occupancy
- Congregate Housing
- Group Homes
- Shared Housing
- Cooperative Housing (RA only)
- Manufactured Homes (including manufactured home space rental) (RA only)
- Homeownership

Chapter 27: Targeted Programs

The chapter name has been changed to ***Special Purpose Vouchers***. The chapter has also been completely rewritten to add meaningful content that clearly outlines the following programs: Family Unification Program (FUP), Foster Youth to Independence Program (FYI), Veterans Affairs Supportive Housing (VASH), Mainstream Voucher Program, Non-Elderly Disabled Voucher Program (NED).

Chapter 28: Violence Against Women Act (VAWA)

This chapter has been renamed to ***Violence Against Women Act Reauthorization Act of 2022 (VAWA 2022)***. Federal Register 6330-N-01.

31. Added new definitions as listed in VAWA 2022.

Appendix A:

32. Added updated VAWA forms.

Glossary:

33. Added definitions as listed in HOTMA.

HOTMA: What's to come...

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.