

PIH HOTMA Implementation FAQs for PHAs
Updated September 13, 2024

Q1: Must PHAs stop enrolling families into the Earned Income Disregard (EID) on January 1, 2024 (regardless of the HOTMA compliance date)?

A1: Yes. As the preamble to the HOTMA Final Rule states, “HOTMA...removed the statutory authority for EID, so HUD cannot retain the disallowance once the statutory change is in effect, which will be upon the effective date of this final rule.” Therefore, the EID will not apply to any family that was not eligible for and already participating in the disallowance as of December 31, 2023 (pursuant to 24 CFR 5.617 and 24 CFR 960.255 of the HOTMA final rule). Further, PHAs are able to stop enrolling families in EID before transitioning to HIP.

Q2: Can a PHA transition to HOTMA requirements prior to beginning to use the revised Form HUD-50058?

A2: PIH will be providing additional guidance on implementation of some HOTMA Income and Assets provision prior to the PHA’s transition to HIP. Please see Q3 for the provisions PIH has previously stated PHAs may begin to implement.

Q3: Which policies from PIH Notice 2023-27 may a PHA implement before they migrate to the Housing Information Portal (HIP) with the ability to submit the revised HUD-50058?

A3: The following policies may be implemented now. HUD has determined that these policies are not dependent on systems and easily isolated from other HOTMA policy changes.

- **Consent Form.** Section J.1 (24 CFR 5.230) of Notice PIH 2023-27 (Authorization for the Release of Information (Forms HUD-9886-A) provides that PHAs may begin having families sign the new HUD-9886-A on January 1, 2024.
- **Safe Harbor Income Verifications.** Section J.4 (24 CFR 5.609(c)(3)) of Notice PIH 2023-27 allows PHAs to use income determinations from other means-tested federal public assistance programs to verify annual income. PHAs that choose to adopt this policy before migrating to HIP must list the annual income from the other program’s determination in Section 7 of the HUD-50058 for the Head of Household using the “Other Non-Wage Sources” income code.

Additionally, there are a few new options related to verifications made available by Notice PIH 2023- 27 that do not depend on regulatory changes created by HOTMA or HIP availability, and PHAs may begin to take advantage of such policies prior to HOTMA compliance.

- **Verification Hierarchy.**
 - In Section J.5, HUD updated the guidance for Level 4 documentation (Written, Third-Party Verification) to include an original or authentic document generated by a third-party source dated within 120 days of the date received by the PHA.

- PHAs may accept a statement dated within the appropriate benefit year for fixed income sources (Section J.5).
- **Verification of Social Security Number (SSN).** In Section J.6, HUD noted that it is adjusting what the Department considers acceptable documentation of SSN under 24 CFR 5.216(g)(1). 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 (e.g., bank statement or cell phone bill) displaying the name of the individual.
- **Zero Income Reviews.** In Section J.8, HUD clarified that PHAs are not required to conduct periodic zero income reviews. HUD also clarified that PHAs may accept self-certification as the highest form of verification for zero income.

Q4: How can PHAs update their Administrative Plan or Admissions and Continued Occupancy (ACOP) documents without knowing the date they will be able to comply with all HOTMA provisions?

A4: PHAs may update their Administrative Plan or ACOP documents before determining the date at which they will transition to all HOTMA Section 102 and 104 policies. (Since compliance with certain income and assets requirements of Sections 102 and 104 requires access to the HOTMA-compliant HUD-50058 in HIP, PHAs cannot determine the date they will come into compliance with all 102/104 provisions before they know when they will be able to transmit HOTMA-compliant transactions to HUD.)

In order to update their policy documents for HOTMA in this circumstance, PHAs may create an appendix to an Administrative Plan or ACOP that contains the HOTMA policies that will be incorporated at a later date. The PHA should note explicitly that they will inform all program participants of the date at which the HOTMA policies will become effective. Program participants must be informed of the date the PHA will transition to HOTMA policies before the PHA starts to conduct reexaminations using those HOTMA policies.

An appendix could contain just those policies that are relevant to Sections 102 or 104 of HOTMA. Alternatively, the PHA could put a complete revision of the Administrative Plan or ACOP into such an appendix, indicating that when they transition to the HOTMA policies, the Administrative Plan or ACOP in the appendix will replace the current Administrative Plan or ACOP.

Q5: Do HOTMA-related updates to the Admin Plan and ACOP have to be made available for public comment, approved by the board, and submitted to HUD for review?

A5: For HOTMA-related updates that the PHA has discretion to establish (see [List of HOTMA Discretionary Policies](#)), these discretionary policies must be approved by the PHA board of commissioners,¹ and may also require public notice and comment as part of the PHA Plan process (see discussion below).

PHAs typically utilize the PHA Plan process for review and discussion of revisions to the Admin Plan and ACOP. The PHA Plan update process is governed by 24 CFR Part 903. 24 CFR 903.21 provides that PHAs may amend or modify PHA policies, rules, regulations, or other aspects of the PHA Plan after submission. If the PHA determines that the amendment or modification is a significant amendment, as that term is defined by the PHA in their PHA Plan, then the following requirements apply:

- The PHA may not adopt the PHA Plan amendment or modification, or the changes to the Admin Plan and ACOP, until the PHA has duly called a meeting of its board of directors, and the meeting at which the amendment is adopted is open to the public. At this public hearing, the PHA must invite public comment on the Plan. As noted by 24 CFR 903.17, not later than 45 days before the public hearing, the PHA must make the proposed PHA Plan, and all supporting documents, available for inspection and notify the public of the hearing.
- The Resident Advisory Board must have the opportunity to review and comment on the PHA Plan and the proposed Admin Plan and ACOP policy changes in accordance with 24 CFR 903.13.
- The PHA may not implement the PHA Plan amendment until notification of the amendment is provided to HUD and approved by HUD in accordance with HUD's PHA Plan review procedures.