Chapter	**Admin Plan (HCV)**	**ACOP (PH)**
1 Overview	Added language for NSPIRE Added info on Housing Opportunity through Modernization Act (HOTMA) to Overview/History	Added NSPIRE, replaced all UPCS related language to NSPIRE Added info on Housing Opportunity through Modernization Act (HOTMA) to Overview/History
2 Fair Housing	No change	No change
3 Eligibility	New definition of family. HOTMA change: Net family assets are excluded when determining *income eligibility* for the program, however there are now asset net restrictions in place. Households with net assets over $100,000 will now be *ineligible*.	Same as HCV.
4 Applications	No significant changes.	No significant changes.
5 Briefings *(HCV)*	No significant changes. NSPIRE language added to family obligations.	NA
5 Occupancy *(PH)*	NA	No significant changes.
6 Income	Completely re-written for HOTMA. See attachment.	Completely re-written. Same as HCV, with language included that switching from flat rent to income based rent due to hardship is allowed per policy.
7 Verification	Completely re-written for HOTMA. See attachment.	Completely re-written for HOTMA. See attachment.
8 NSPIRE *(HCV)*	HQS replaced by National Standards for the Physical Inspection of Real Estate (NSPIRE). Entire chapter revised with new language on NSPIRE standards. NSPIRE is effective 10/2025 in HCV.	NA
8 Leasing & Inspections (PH)	NA	Move-in inspections are required. Move-out are optional, but all tenants given choice. Language revised to reflect NSPIRE from UPCS. NSPIRE is already required in public housing.
9 Leasing *(HCV)*	No significant changes.	NA
9 Re-examinations (PH)	NA	Complete re-write for HOTMA. See attachment. PH will continue to require annual recertifications, whether the family is at flat rent or income based.
10 Moving *(HCV)*	No significant changes.	NA
10 Pets *(PH)*	NA	Pet Rule added: Except for emergencies, management will not enter the dwelling unit for performance of repairs or inspections where a pet resides unless accompanied for the entire duration of the inspection or repair by the pet owner or responsible person designated by the pet owner.
11 Re-examinations *(HCV)*	Complete re-write for HOTMA. See attachment.	NA

11 Community Service *(PH)*	NA	No significant change.
12 Termination *(HCV)*	No policy changes. VAWA language added in body.	NA
12 Transfer Policy *(PH)*	NA	No significant change.
13 Owners *(HCV)*	Language update from HQS to NSPIRE.	NA
13 Lease Terminations *(PH)*	NA	Included Over-Income sample letters in ACOP for over income households at initial, 12 month and 24 months. Policy selected for non-public housing over-income (NPHOI), not termination.
14 Program Integrity *(HCV)*	De Minimus Errors language added with policy. A de minimis error is an error where the PHA determination of family income deviates from the correct income determination by no more than $30 per month in monthly adjusted income ($360 in annual adjusted income) per family.	NA
14 Grievances *(PH)*	NA	No significant change.
15 Special Housing Types *(HCV)*	Included Chapter. Homeownership requirements and policy under the HCV Program outlined here. No other special housing types currently allowed, except in the case of a reasonable accommodation.	NA
15 Program Integrity *(PH)*	NA	De Minimus Errors language added.
16 Program Administration	Only language changes from HQS to NSPIRE.	UPCS related language changed to NSPIRE throughout chapter.
17 PBV *(HCV)*	Changes to reflect NSPIRE. Sinclair Flats added as PBV site.	NA
18 RAD PBV *(HCV)*	Changes to reflect NSPIRE.	NA
19 Special Purpose Vouchers *(HCV)*	Added Stability Vouchers to special purpose vouchers chapter.	NA

Admin Plan/ACOP Changes:

Chapter 6 - Income

Sweeping changes – highlights below.

- No disability payments/insurance payments counted if received under one year
- Social Security Benefits – if garnished for any reason, use net amounts
- Child support – if verifying not being made, get 3 months. Annual 12 months.
- GI Bill is considered "other financial assistance"
- State payments to allow individuals with disabilities to live at home – excluded payments. Care-giving services for someone in the household only.
- Training programs – incremental income excluded. Apply wages/mfip received prior and with new program, additional wages are excluded that are above and beyond previous earning. Changed from all excluded to incremental increases excluded now.

Annual income includes all actual anticipated income from assets – even if the asset itself is excluded from new family assets. Income from assets is always anticipated.

An asset moved to a retirement account is not considered disposed of for less than fair market value.

Have you disposed of assets for less than fair market value needs to be asked at recertification, we ask this currently on our Asset Certification Form.

Necessary items of personal property are excluded from the calculation of net family assets (cars). Does not include bank accounts, investments or other luxury items.

Irrevocable trust are not assets, typically special needs trusts are considered irrevocable. Value of trust not included in net family assets, so long as the fund continues to be held under the control under a person outside household.

Revocable trust is a trust that the creator of the trust may amend or end (revoke). When there is a revocable trust, the creator has access to the funds in the trust account. If no family or household member if not a trustee, not consider net family assets. Distributions from the trust are included unless to pay for health and medical expenses. If under control of family or household are considered assets and must be included in net family assets.

Net family assets do not include value of term life insurance. No cash value to individual before death. Whole life/universal life policy cash value is surrender value. Amount of dividends or interest is counted as income.

Tax Refunds – We can exclude tax refunds held in accounts if pushes them over the threshold.

Calculating Expenses – Similar approach to verification as before, new thresholds in place.

Anticipated to be incurred in the 12 month following the certification date. For annuals using information from the previous 12 month period.

Medical expenses to exceed 10%. Medical expenses of all family members qualify if head/co head is disabled. Check forms to see if this is clear.

Hardship Exemptions for deductions

Two types for families that qualify for health & medical and/or disability assistance expenses.

1. Phased in relief –

- Eligible expenses that can be deducted at 5% of annual income (instead of new rule 10%) THEY DON'T HAVE TO ASK FOR – AUTOMATICALLY APPLY
- Conclusion of 12 month, family is eligible for a deduction totaling
  the sum of their expenses that exceed 7.5% of annual income for another 12 months
- Conclusion of 24 months, the standard threshold amount of 10% would be used, unless the family qualifies for relief under the general hardship relief category.
  - THIS HAS TO BE TRACKED, IF AT INTERIM, NEEDS ANOTHER TRANSACTION ONE YEAR LATER TO MOVE THE FAMILY ALONG TO THE NEXT PHASE

2. General Relief – 90 Day hardship exemption relief period – request in writing – deduction 5% down from 10%

- Families that can demonstrate:
  - Their health & medical and/or disability assistance expenses increased or
  - Their family's financial hardship is a result of change in circumstances that would not trigger an interim re-exam.
  - No limit on # of 90 day extensions

Childcare Deductions – can request a financial hardship deduction is ending may request a financial hardship exemption to continue receiving the deduction. 90 day hardship exemption. Loss impacts the family's ability to pay their rent.

Chapter 6.I.E. No individuals may qualify for the EID as of January 1, 2024 [Notice PIH 2023-27] We continue to manage those on EID prior January 1, 2024.

Chapter 7 – Verification

HUD 9886 only needs to be signed once on or after January 1, 2024, regardless of HOTMA implementation date, we currently have it signed at recertification.

HUD is giving Housing Authorities the ability to use Safe Harbor verifications. Safe Harbor verifications are income determinations for other state or federal subsidies, such as MFIP. After review of implications this has on other areas, the staff determined that will be not accept Safe Harbor verifications and will continue to verify income in accordance with requirements of HUD.

EIV can be used to verify and calculate if family self-certified it is accurate, family must be provided the EIV. Can be used at EIV as necessary, for SS, unemployment, etc… The EDA will make a new self-certification form with language recommended.

Income and IVT reports will be retained in participant files.

Housing Authorities have the option to not do increases in earned income. The staff has chosen the ability to do increases in earned income (over 10%) when there was a previous decrease in income. For example, a participant loses a job and go to MFIP. The rent amount will decrease and only MFIP will be included. If they get another job, we will do an increase in the rent. Interim decreases will still take place if the change is over 10%.

No Income Report – Policy that will pull quarterly and retain the report.

Deceased household – HAP should end the month the death occurred. We will continue to view monthly.

Medical expense verification – make a note of what was received, from who and when. Note was received and removed from file due to HIPAA. No medical information should be in file.

Chapter 9 (PH) Chapter 11 (HCV) – Reexaminations

11.I.E. PHA must determine income from previous 12 month period. New steps outline the hierarchy of how to determine income.

Interim Decreases – Can decline to do an interim if the families adjusted income will decrease by an amount that is less that 10% of the family's adjusted income.

Must by do interim per HUD – deceased unit or family member moves out

Interim Increases – Can not process for interim reexamination for income increases that result in less than a 10% increase in annual adjusted income.

Increases 10 Percent of Greater

- If within three months of annual, will not conduct an interim
- Increases in earned income must be more than 10% and only after an interim decrease has been conducted
- Will not process an interim increase if an interim increase has already been completed since last annual reexam.

Policy – Family required to report all changes in income. EDA will determine if meeting 10% threshold for an interim or if a decrease has already occurred. We must notify family within two weeks of reporting changes if an interim will take place.

Part IV. Non-Interim Reexamination Transactions added.

Exhibits were added – as references for the new concepts.