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GENERAL NEWS

HUD to Issue Final Rule on 30-Day Termination Notice

Today in the Public Inspection Issue of the *Federal Register*, the Department of Housing and Urban Development (<u>HUD</u>) posted a <u>prepublication copy</u> of a final rule providing that PHAs and owners of properties receiving project-based rental assistance (PBRA) must provide written notification to tenants facing eviction for nonpayment of rent 30 days prior to filing a formal judicial eviction procedure. This final rule largely adopts the proposed rule and, in response to public comments, has been revised to include additional requirements and to clarify the timing of the 30-day notice. Specifically:

- A PHA or owner must not provide tenants with a termination notice before the day after the rent is due according to the lease.
- A PHA or owner must not proceed with filing an eviction if the tenant pays the alleged amount of rent owed within the 30-day notification period.
- HUD uses clarifying language to explain that notification must be provided before a formal judicial eviction can be filed.
- The 30-day notice must include an itemized amount, which is separated by month, of alleged rent owed by the tenant, along with any other arrearages allowed by HUD and included in the lease, which must also be separated by month, and the date by which the tenant must pay the amount of rent owed before a formal judicial eviction can be filed for nonpayment of rent.
- The arrearages, which might include late fees or other fees, must also be itemized separately from the alleged rent amount owed by the tenant.
- If the tenant pays the full amount of the alleged rent owed but not the arrearages, the nonpayment will still be considered cured, and an eviction for nonpayment of rent cannot be filed.
- PHAs must also include information in the 30-day notification about how to switch from flat rent to income-based rent.

HUD emphasizes that the protections in this rule do not apply to other types of evictions that result from non-rent lease violations, such as nonpayment of arrearages, if allowed under the applicable program and specified in the lease. HUD also reiterates that it strongly recommends the best practice of entering into a rental repayment agreement as an alternative to a lump-sum payment for past due amounts.

Additionally, HUD reminds PHAs and owners that the 30-day notice must be provided in accessible formats to ensure effective communication for individuals with disabilities, and the notice must provide meaningful access for persons who are limited English proficient (LEP). PHAs and owners must also comply with the nondiscrimination requirements contained in title VI of the Civil Rights Act of 1964 and section 504 of the Rehabilitation Act of 1973 (section 504) along with HUD's regulations implementing those laws.

The final rule will go into effect 30 days after publication in the *Federal Register*. The compliance date is the same as the effective date, with some exceptions.

HUD Posts CY 2025 Per Unit Subsidy by AMP Report

On the <u>HOTMA Resources</u> webpage, the Department of Housing and Urban Development (<u>HUD</u>) has <u>posted</u> the <u>CY 2025 Per Unit Subsidy by AMP</u> report. The Excel spreadsheet, dated December 9, 2024, will help PHAs establish the alternative rents for the stated calendar year for non-public housing over-income (NPHOI) families.

Treasury Posts New ERAP Resources

The U.S. Department of the Treasury (<u>Treasury</u>) has <u>posted</u> the following resources to the Emergency Rental Assistance Program (<u>ERAP</u>) website:

- ERA2 Closeout resource
- ERA2 Early Closeout Checklist

You can find more ERA resources on the ERAP website.



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