



May 7, 2024

HCV PROGRAM NEWS

HUD Publishes Final Rule Implementing Additional HOTMA HCV/PBV Provisions

Today in the *Federal Register*, the Department of Housing and Urban Development ([HUD](#)) published a [final rule](#) that amends HUD’s regulations to implement changes made by the Housing Opportunity Through Modernization Act of 2016 ([HOTMA](#)) to the Housing Choice Voucher ([HCV](#)) and the Project-Based Voucher ([PBV](#)) programs. Additionally, in response to public comments to the October 8, 2020, [proposed rule](#), HUD has also included additional regulatory changes intended to reduce the burden on PHAs, by either modifying requirements or simplifying and clarifying existing regulatory language. Among other changes, the final rule:

- Provides PHAs the option in the HCV program to use small area fair market rents (SAFMRs) in a nonmetropolitan area
- Clarifies requirements to the PHAs 5-year and annual plans
- Revises existing definitions and add new definitions
- Revises the requirements for the PHA administrative plan
- Makes changes to the information provided to families when they are selected
- Makes changes to the inspection requirements of units, related to the Housing Quality Standards (HQS) and the NSPIRE final rule
- Make changes in the applicability of HAP contracts for PBV projects
- Makes regulatory amendments to the PBV program cap and the PBV project cap and clarifies PBV units that are not subject to such caps
- Revises the PBV site selection standards, the PBV environmental reviews requirements, and the PBV site-based waiting lists requirements
- Establishes a statutory definition of PHA-owned unit
- Adds two new situations in which rent reasonableness must be redetermined
- Revises the applicability of the Davis-Bacon wage requirements
- Inserts references to obligations under Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA)

The effective date of the rule is **June 6, 2024**, except certain sections that are delayed indefinitely. Compliance dates, which differ depending on the provision, are listed in the [notice](#).



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