

## Timeline and Summary: HOTMA and NSPIRE Implementation

### HOTMA SECTIONS 102 AND 104 CHANGES

- July 29, 2016: The Housing Opportunity Through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA made numerous changes to statutes governing HUD programs, including sections of the United States Housing Act of 1937. Title I of HOTMA contains 14 different sections that impact the public housing and Section 8 programs, among others.
- February 14, 2023: HUD published a [Final Rule](#), revising regulations related to income, assets, and adjusted income as described in Sections 102 and 104 of HOTMA, which include the most sweeping changes under the law. The Final Rule stated the new income and asset regulations detailed in Section 102 and 104 were effective January 1, 2024.
- July 18, 2023: In an [email](#) to Executive Directors, HUD delayed the compliance date for Section 102 and 104, stating, “PHAs must bring their programs into compliance with the HOTMA final rule as quickly as possible, but no later than January 1, 2025.”
- September 29, 2023 (and updated with technical corrections on February 2, 2024): HUD published the [HOTMA implementation notice](#) reiterating that each PHA will set its own compliance date as early as January 1, 2024, but no later than January 1, 2025. HUD emphasized that *compliance* with Sections 102 and 104 of HOTMA means not only applying HOTMA regulations to affected programs but also reporting in HUD’s new Housing Information Portal (HIP) system. Currently, PHAs remain unable to select a compliance date because HOTMA compliance depends on transitioning from HUD’s IMS/PIC system (which is unable to accept the HOTMA-compliant Form HUD-50058) to HUD’s new HIP system (which will be the only system that accepts the HOTMA-compliant Form HUD-50058). **PHAs cannot transition to HOTMA until HIP is in place, HOTMA-compliant, and accessible.**
  - Although HOTMA will not be implemented by the PHA until an unknown date in the future, [Notice PIH 2023-27](#) states the PHA must update both the ACOP and administrative plan based on the PHA’s fiscal year start date. However, these policies will not be effective until the PHA’s compliance date. This means that the PHA’s policies will be completed and approved well ahead of when the PHA actually implements HOTMA. During the transition period between when the PHA adopts its new HOTMA-compliant policies and the date the PHA fully implements HOTMA, the PHA will have two policies in place – one that is updated for HOTMA and their pre-HOTMA policy.
- February 22, 2024: HUD published [FAQs](#) stating certain HOTMA changes are not dependent on transitioning to the HIP system, and PHAs may implement them immediately. [This is optional.](#)

- April 24, 2024: HUD issued Notice PIH 2024-12 stating that the transition from IMS/PIC to HOTMA was set to occur in late Summer/early Fall 2024.
- June 17, 2024: In an [email](#) to Executive Directors, HUD delayed the transition from IMS/PIC to HIP and did not provide a timeline for HIP implementation. Because HOTMA-compliant reexaminations cannot be successfully submitted to IMS/PIC, HUD advised PHAs not to begin conducting reexaminations under HOTMA rules without further information on when the new HOTMA-compliant Form HUD-50058 in HIP will be available.
- July 3, 2024: HUD issued a [notice](#) rescinding Notice PIH 2024-12. No HIP implementation timeline was provided.

### HOTMA VOUCHER FINAL RULE CHANGES (HCV and PBV only)

- May 7, 2024: HUD published a [Final Rule](#) implementing streamlining changes to the HCV and PBV programs by codifying certain provisions in Sections 101, 105, 106, and 112 of HOTMA, as well as incorporating some changes from the [NSPIRE Final Rule](#). The rule is known as the “HOTMA Voucher Final Rule.”
- June 6, 2024: The effective date of the HOTMA Voucher Final Rule.
- Various dates: While the compliance date for certain provisions of the HOTMA Voucher Final Rule is the same as the effective date (June 6, 2024), the compliance date for other provisions of the rule is not until 90 days, 180 days, or one year after the effective date.

<b>9/4/24</b>	HCV oral and written briefings Payments standard schedules, areas, and amounts Homeownership program changes Impact analysis PBV briefings Overcrowded, under-occupied and accessible PBV units SEMAP
<b>12/3/24</b>	Increases and decreases in the payment standard
<b>6/6/25</b>	PHAs required to update admin plans PBV site selection standards, evidence of work completion, offer of assistance or owner rejection, project cap
<b>6/6/24*</b>	Everything else

Except 4 provisions delayed indefinitely

- June 5, 2024: HUD published [Notice PIH 2024-19](#), which clarified that while many new changes to the regulations described in the HOTMA Voucher Final Rule require changes to the PHA’s administrative plan, PHAs are not required to make all revisions needed to bring existing policies into compliance until June 6, 2025 (one year after the effective date of the rule). However, if a PHA wishes to use program flexibilities requiring adoption of new local policies not

already present in the PHA's administrative plan, the PHA must add those policies to the administrative plan prior to using those program flexibilities. Further, the delayed compliance date for policies does not authorize delayed compliance with the provisions of the rule. PHAs that choose not to bring their policies into compliance with the rule until June 6, 2025, must still implement each provision on its corresponding compliance date.

- Example: The compliance date for applying increases and decreases in payment standards in the HCV program is December 3, 2024.
- Starting June 6, 2024 (the effective date of the rule), PHAs may implement the payment standard provisions in the HOTMA Voucher Final Rule by updating their administrative plans.
- As of December 3, 2024 (the compliance date for this provision), all PHAs must operate using the payment standard provisions in the HOTMA Voucher Final Rule, regardless of whether PHA policy has been updated.
- On June 6, 2025 (the compliance date for updating PHA policies), all PHAs must have updated administrative plans reflecting the new payment standard provisions of the HOTMA Voucher Final Rule.

#### NSPIRE AND HQS (HCV and PBV only)

- May 11, 2023: HUD published a [Final Rule](#) implementing the National Standards for the Physical Inspection of Real Estate (NSPIRE). The rule included revised 24 CFR 5.703 which describe the NSPIRE standards, including variations for the HCV and PBV programs. The rule stated that the effective date for NSPIRE for the HCV and PBV programs was October 1, 2023, at which point HQS would sunset.
- September 28, 2023: HUD published a [notice](#) in the *Federal Register* stating that PHAs who wished to continue using HQS on or after October 1, 2023, could do so provided they notified HUD. PHAs were highly encouraged to implement NSPIRE as soon as feasible after October 1, 2023, but the final compliance date was extended to no later than October 1, 2024.
- September 29, 2023: HUD published [Notice PIH 2023-28](#), which finalized the administrative procedures for NSPIRE for the HCV and PBV programs. Collectively with the regulations and NSPIRE standards, this is known as NSPIRE-V.
- June 14, 2024: In an [email](#) to Executive Directors, HUD again moved the compliance date for NSPIRE-V from October 1, 2024, to no later than October 1, 2025.
- July 5, 2024: HUD published a [Federal Register Notice](#) officially delaying the compliance date for NSPIRE-V to October 1, 2025. HUD encouraged any PHA that is ready to implement NSPIRE to do so at their earliest convenience. PHAs who will implement NSPIRE prior to the new

compliance date of October 1, 2025, must notify HUD of the date they plan to transition to NSPIRE.

- Note: Even once the HQS inspection standard has sunset, the regulations at 24 CFR Part 982 and 983 governing the HCV and PBV programs will continue to use the terms *HQS* and *housing quality standards* rather than *NSPIRE*. This is because the definition of *housing quality standards (HQS)* at 24 CFR 982.4 means the minimum quality standards developed by HUD in accordance with 24 CFR 5.703 for the HCV program, including any variations approved by HUD for the PHA.